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The Nation's Business

Aid for the West
And a Complete Study of Public Finance
Immigration Studied
Sir Edward Beatty for National Policy
Motor Strike Ends and Everyone Loses
Low-cost Housing Falls Between Stools

New Financial Basis For Confederation

OTTAWA has finally come to the financial rescue of Saskatchewan and Manitoba and in doing so has arranged for an independent study of the whole financial basis of the Confederation partnership. This is what has for some months been urged in editorials in The Financial Post, editorials that have had their echo in the public statements of many of Canada's business leaders and in editorials in many Canadian newspapers.

Ottawa has seemed laggard in facing up to the facts of the western debt situation. This has been due chiefly to the fact that many members of the Dominion cabinet were so busy with other matters that they did not realize how pressing the problem was. But Mr. Dunning, Mr. Crerar and Mr. Gardiner, who have appreciated the situation, have apparently brought their fellow ministers round.

* * *

THE work of the Bank of Canada in studying the western situation deserves recognition. One of the duties of the Bank is to act as financial adviser to the Government. It is no secret in well-informed financial circles that the Bank has been insistently urging the appointment of a Royal Commission to go into the taxation and budget problems of Canada's ten major governments and that it has recommended that Saskatchewan and Manitoba be saved from default or repudiatory policies. The study made by the governor of the bank of the position in Manitoba was most useful and his comments were succinctly expressed. In them he paid a tribute to the notable sacrifices made by Manitoba to maintain its sound financial position.

* * *

IT IS suggested that Sir Arthur Salter has been asked to head up the commission. It would be an excellent appointment. Sir Arthur, a former financial director of the League of Nations, is one of Britain's most eminent civil servants; he has had much experience with royal commissions and headed up the famous Road-Rail enquiry in Britain. The author of "Recovery: the Second Effort," he was a lecturer at McGill in 1933 under the Massey lectureship. His name is one of those suggested by this column as a suitable chairman for the enquiry.

The investigation is certain to emphasize clearly many points now only vaguely understood by the public. It is possible that it will lead in time to an entire recasting of the financial terms of our national partnership.

* * *

Immigration's Many Angles

"The ordinary man hates nothing more than two-sidedness, to be called upon to consider this as well as that. The masses think simply and primitively. They love to generalize complicated situations and from this generalization to draw clear and uncompromising solutions."

SO SAYS Joseph Goebbels, who has learned to make the people of Germany like having someone else do their thinking for them.

In Canada the masses of the people think simply and primitively on immigration. There is a general disposition to accept the simple thesis that every new immigrant takes away some citizen's job because immigrants cannot bring their jobs with them. With minor modifications this view is so widespread in industrial centres and even on Western farms that successive governments coming into power at Ottawa do not even attempt to change the public's thinking or put the subject of immigration in better perspective.

The most effective answer to the particular argument noted is, of course, that our greatest periods of prosperity, employment and high wages were periods when immigrants were pouring in. But even the other side of immigration cannot properly be simplified to such a degree.

* * *

THIS week The Financial Post publishes a special article on immigration, in which some very important new angles to the subject are opened up for frank discussion.

Immigration is a subject that must not be allowed to die out of public discussion. Our present smug conceit that we can have continuing security and prosperity with our present slow natural growth of population is positively dangerous.

Canada must take steps soon to develop its sparsely settled agricultural areas. It cannot do that better than in co-operation with the British Government, whose generous terms of assistance for suitable, well-supervised land settlement schemes, we have coolly ignored. The position today is that Britain

(Continued on page 2, col. 3)

Quebec Legislators Plan Heated Debate On Electric Utilities

January Trade Sharply Higher

Canadian trade got off to a most encouraging start this year. Although seasonally lower than in the previous month, both imports and exports in January were almost 30% above the 1936 level. Main items increasing the export total were wheat and newsprint shipments.

Carloadings continue at a pace substantially higher than last year. Summary totals of key figures follow:

Monthly	January $	—Change— From prev. period %	From prev. year %
Imports	51,862,690	— 2	+27
Exports	83,416,124	—16	+29
Weekly:			
Cattle sales, No...	12,281	—16	—11
Hog sales, No.....	22,608	—10	+35
Car loadings, No..	46,508	— 1	+18

See Dividend For Canners Second Pfd.

Improved Earnings May Bring Payment By Mid-year

Canadian Canners Ltd. will show marked improvement in earnings for the year which closes Feb. 27.

Investment interest is centred at present on the possibility that dividends will be paid on the second preferred. The company's former habit was to announce mid-year dividends at the annual meeting. In view of improved results for the year now closing and former generosity with dividends on the second preferred, hopes are held that some disbursement on the shares will be made by next July 1.

Earnings in the year ended Feb. 29, 1936, amounted to 19 cents a share on the second preferred stock and 20 cents a share was paid. The last payment was 7½ cents a share on July 2, 1935.

Bank Loans Out

The company's inventory, valued at $4.4 millions last Feb. 29, was one of the largest in the canning trade and in view of the small packs of some food crops in 1936, the trade believes that substantial reduction has been effected in the inventory. Considering the decreases in bank loans in recent years, it is believed the company may end the current fiscal period without any bank borrowings. The company owed $2.7 millions to the bank in 1931 and five successive annual reductions had decreased the debt to $162,238 last year.

Bond Maturities

Annual fixed charges for bond interest and first preferred dividends have been reduced from over $420,000 to about $325,000, and will be slightly under $320,000 after the first maturity of $180,000 of 3% serial bonds is paid next May 1.

The savings of some $100,000 annually recently achieved in fixed charges are absorbed in the annual repayment of $180,000 of 3% bonds.

Dividends become payable on the company's common shares only after 60 cents a share has been disbursed on the second preferred. The annual payments on the second preferred is therefore of great interest to holders of the common. The size of any payment on the second preferred is of direct interest to the first preferred shares of $20 each. If more than 15 cents a share is paid on the second preferred in one quarter, the first preferred is entitled to participate up to five cents a share in the excess disbursement.

"Whip" on Rates Seen in Anticipated Bill on Power

SOME WANT HYDRO

From Our Own Correspondent

QUEBEC.—The electric utility industry promises to be one of the important items to be discussed in the Quebec Legislature during the session which gets under way on Feb. 24. It is reported that one of the first measures to be brought down by the Duplessis Government will be a bill concerning electricity, this being scheduled for about March 2, after the speech from the throne has been debated.

Just what are the contents of the bill remains a deep secret, and will not be revealed until such time as the measure is introduced in the House. But in view of the already considerable talk concerning rates charged consumers, and the Prime Minister's threat that a "whip" would be used if necessary, it is expected that the measure, when it does come before the House, will give rise to a series of debates, with party lines possibly overlooked, as members air their personal opinions.

Hon. Mr. Duplessis, in speaking at Montreal recently, treated electricity as one of the main themes of his address, and denounced "trusts" in general, stating that steps to force the Montreal Light, Heat & Power Company to act—probably as regards rates for consumers—would be taken. It was at this dinner that Mr. Duplessis referred to the "whip", and his reference brought forth comment from Dr. Phillippe Hamel, M.L.A. for Quebec Centre, who was elected on the Union Nationale (Government) ticket, but who has been rather cool toward Mr. Duplessis ever since last Aug. 27, when the new Government took office.

Hamel View

Dr. Hamel, whose coolness dates from the time the Premier refused to localize Beauharnois, and who has been a 'lower electricity rates' champion for some time, informed newspapermen that he believed experience in the electricity field would eventually teach the Prime Minister just what the 'electricity trust' really was.

"I ask myself, however, just what 'whip' the Prime Minister will use to 'make the Montreal Light, Heat & Power fall into line'. If it is a whip made of Angora wool, it won't hurt the company to any great extent, and they will continue to exploit the public. If it is a real whip, however, the results will be better," the Doctor stated.

He added: "The quality of this whip is far from being a negligible factor, as I have seen the Government of Quebec whip the trust for a considerable period without the latter complaining. Certain statements by Hon. Mr. Taschereau possessed, it will be remembered, terrifying aspects; yet everybody today will admit that Mr. Taschereau's whip never hurt the trust. I am anxious to learn the value of the whip Mr. Duplessis intends using. I will be the first to congratulate him, if he uses a good whip."

Newspaper Rumors

Electricity is very much in the public eye at present. A sensational story appeared in Le Journal, a Quebec newspaper friendly to the Duplessis Government, to the effect that Le Soleil (prominently identified with the Liberal party) and L'Evénement, (acquired by Le Soleil last year) would be acquired by a syndicate headed by Sir Herbert Holt, chairman of the board of

(Continued on page 2, col. 1)

Power Shortage Hampering Mining in Kenora Area

From Our Own Correspondent

KENORA.—The long-threatened power shortage has finally come to Red Lake, with three mining companies directly affected and one other operation at least indirectly inconvenienced by the lack of Hydro energy.

The situation has been aggravated by low-water conditions prevailing in the waterways of the district, particularly in Lake of the Woods where abnormal conditions have resulted in a very serious shortage to the town of Kenora. For this reason it was necessary to open the gates of the dam at Ear Falls, thus reducing capacity of the plant to 4,000 h.p. This is just sufficient to supply the three first customers signed up, namely, **Howey, McKenzie Red Lake** and **Red Lake Gold Shore,** while a small amount of energy, sufficient to run the compressor, assay plant and lighting circuit, is being delivered to **Gold Eagle,** which is scheduled to be the next producer in Red Lake. With the low-water mark not expected until later in the winter, however, it is possible that this supply may be cut off after a few weeks until such time as the spring thaw comes to raise water levels again.

In addition to Gold Eagle, which is running some of its plant still on the steam power, three other companies have had shaft sinking programmes interfered with. **Madsen Red Lake** was making full arrangements to install Hydro power when advice was received power could not be secured, so that the extra expense of enlarging the steam plant has been necessary. **Skookum Gold Mines** arranged for power to carry a shaft down 250 ft. but, finding it necessary to either suspend operations for six months or purchase a Diesel plant, the latter course was chosen at extra expense to the company. **Altura Gold Mines,** which had received delivery of part of the Madsen plant, found it necessary to return the pieces to the Madsen property and order a new steam plant from Winnipeg.

In the meantime, installation of the second unit to bring total capacity up to 10,000 h.p. is proceeding rapidly and, by present indications, energy from this should be available in June or July. With such large customers at **Madsen** and **Cochenour Willans** as well as many smaller users promised, it is thought probable that the 10,000 p.h. will be quickly taken up.

Highlights

Safety in Numbers

Selective immigration policy between Canada and British countries may fill Dominion's vacant spaces and bring new sense of national security. Page 13

Air Hazards

Are risks of aviation greater than dangers of automobile travel? An insurance expert gives the answer on Page 17

Home Improvements

Canadian plan of home modernization loans will open rich new fields of business. Page 12

Alberta's Treasurer

Hon. Solon Low believes in balanced budgets, but not an "abrupt change" from present Social Credit system. Page 24

Income Tax

Exemptions on automobile depreciation in Ontario raise unusual points of income tax practice. Page 11

Pick Company For Canadian Airways Link

Ask Ottawa Government to Nominate Group to Take Shares

AFTER TEST PERIOD

From Our Own Correspondent

OTTAWA. — When transatlantic flights have passed the experimental stage and interested parties are preparing to operate a regular service, the Dominion Government will be asked to nominate a commercial company in Canada to take shares in the corporation being formed by Imperial and Pan-American Airways and other interests. Canada's allocation is 24½%. It is not intended that Canada will take part in the venture as a government, aside from providing similar aids as she is preparing for her own trans-Canada service, namely, fields, radio beacons, weather service.

The northern route across the Atlantic, expected to be the most feasible and profitable during the great part of the year, comes across northern Newfoundland and up the St. Lawrence to St. Hubert airport at Montreal.

Experimental flights are to be begun in 1937 along this route. The southern route via the Azores will be established first as a commercial service. The pay-load on the northern route, because of the shorter hop, will be considerably greater. During most of the year it will be a safer and simpler route to fly, in the opinion of most aeronautical experts.

British, Canadian, Irish and American interests are pooled in the venture.

Ottawa Budget About March 4

Rumor of 10% Increase in Sales Tax Is Discounted

From Our Own Correspondent

OTTAWA.—Presentation of the Dominion Budget about March 4 is expected. Tariff changes are tied up closely with the new United Kingdom agreement, which will be tabled, if not on the same day, at about the same time.

Tax changes are being closely guarded. Little credence is given in Government circles to the report that the sales tax will be increased to 10%. Some minor changes in the personal income tax are rumored.

No major tax reductions can be looked for until the budget has been balanced, a feat which will not be possible before 1938.

Revenues have responded to buoyant business and the tax increases of last session and will be in the neighborhood of $440 millions.

If the disastrous drought in western Canada had not added materially to expenditures, the gap between total expenditures and total receipts would probably have been cut to $50 or $55 millions, as compared with a budget estimate of $100 millions.

The current prospect is that the gross deficit will be somewhere between these two figures.

In addition to the actual outlay through Governor-General's warrants and otherwise for drought relief, it has been necessary to provide for writing off $20 millions or so from the sums advanced the Prairie Provinces in the past seven years. This will be transferred from active assets and will add to the net debt of the country by that amount.

Tariff reductions connected with the United Kingdom agreement are expected to include woollens, worsteds, carpets, hosiery, artificial silks, several cotton items, boots and shoes, several iron and steel items, heating equipment and machinery.

It is reliably reported that all specific duties upon textiles or allied lines are wiped out in the British preferential column.

Treasury Bills

The cost of short term money to the Dominion Government continues to show an upward tendency, the average price paid for the $25 millions of three-month treasury bills sold on Feb. 12 being $99.81106. This gives an average cost basis of 0.776%. The average cost basis for the previous issue was 0.759%.

Ottawa Tories Make Guesses On New Leader

Bennett Expected to Retire from Politics After Coronation

YOUNG MAN FAVORED

From Our Own Correspondent

OTTAWA.—There is a growing conviction in political circles at the capital that Rt. Hon. R. B. Bennett will retire as leader of his party shortaly after the Coronation ceremonies.

This will, it is said, involve his retirement as a member of parliament.

Mr. Bennett's health appears to have been fully restored since the grave heart attack which he suffered about two years ago, but he finds the burden of office less easy to bear as time goes on.

Aside from a few flashes of his old party fire, he has obviously mellowed a great deal in the past year. Many sessions of the House of Commons these days are conducted in an atmosphere of sanctified peace worthy of a cathedral.

The Conservative leader, since his return to Ottawa with a band of 39 followers, has carefully avoided anything which would focus attention on his party's present numerical weakness.

Divisions, so common in earlier parliaments, have been studiously avoided.

Line Up For Succession

The likelihood that Mr. Bennett will retire has excited keen interest in the matter of a successor.

As house leader Sir George Perley or Hon. C. H. Cahan are almost inevitable, but when the choice of a permanent leader comes before the next convention a much younger man is indicated.

The most promising recruit at the moment is unquestionably Denton Massey. He has a commanding presence, an easy flow of language, capacity for leadership. He comes from Toronto, represents the more progressive wing of the party, is interested in social reform. Competent observers believe he would go a long way at a convention. He is said to have the blessing of Mr. Bennett.

Another contender would be Hon. Earl Lawson. Hon. Dr. R. J. Manion would be the most eligible figure except for his religious faith.

The most significant figure in the provinces is said to be Hon. Gordon Harrington of Nova Scotia. The name of Hon. Maurice Duplessis, premier of Quebec, has been mentioned as a possibility. He might bring with him 30 or 40 seats from the impregnable fortress of Lower Canada. But the Ontario Conservatives do not warm to such a suggestion.

The most brilliant "find" of the seventeenth parliament was undoubtedly Hon. James Langstaff Bowman, who became Speaker for the session of 1935. If he had entered the party arena when he was 10 or 15 years younger he might easily have risen to the post of leader, in the opinion of those who observed him here. He had strength, dignity and an outstanding command of the issues of the day. He would have been another Sir Robert Borden, in the view of many political commentators. Mr. Bowman was defeated in the 1935 election and retired to private life at Dauphin, Manitoba.

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Manitoba and Saskatchewan Get Temporary Assistance Pending Taxation Survey

Bank of Canada Says Manitoba Revenue Inelastic

PRAISES GOVERNMENT

A report by the Bank of Canada on the financial affairs of Manitoba, indicating that unless aid was forthcoming the province would be unable to meet its obligations, is credited with being the deciding factor in the Dominion Government's decision to appoint a royal commission to investigate the financial basis of Confederation, and in the meantime to grant temporary subsidies to Manitoba and Saskatchewan.

"It seems to be the case," the report states, "that revenues are not adequate or not sufficiently elastic to enable the province to bear the burdens which modern practices of Government and the force of depression have placed upon them. The province is either not in a position to carry on or is able to do so with assurance for no more than a short period unless some unexpected favorable factor should appear."

Praises Province

The report, which covers the period from 1925 to 1936, praises the efforts of the province to balance its budget by heavy taxation and sharp reduction in expenditures.

The investigation included a survey of the financial position of Saskatchewan and was made at the request of the premiers of the two provinces and Hon. C. A. Dunning, Federal minister of finance. The report is signed by Graham F. Towers, governor of the bank, who, along with D. A. Skelton, chief economist, conducted the survey.

Text of Report

The text of the summary of the report:

1. In the body of the report we have expressed the view that the lightening of taxation (income taxes reduced) which took place during the 1927-30 period was not wise, and that greater advantage should have been taken of the good years to build up surpluses for bad times. We also made reference to the unduly large capital outlays of the 1929-32 fiscal years, and to the effect of pre-1922 capital expenditures on the financial position of the province.

2. We believe that during most of the period under review, and specifically during the last five years, the Government of the Province of Manitoba has made strong and commendable efforts to keep its Budget balanced, and avoid unnecessary increases in debt, by imposing taxation on a scale at least as high as that of any other Province in Canada, and by restricting expenditures as far as it was possible to go without curtailing services to an extent which would not have been in the public interest.

Revenue Not Buoyant

3. In spite of Manitoba's efforts, the percentage increase in its revenues during the period 1926-36 has been smaller than that of any other Province except one. There are two reasons for this apparently poor showing namely:

(a The fact that Manitoba taxation at the beginning of the period was somewhat higher than average Provincial taxation gave less scope for increasing the returns, and

(b) The incomes of the people of Manitoba were more severely and continuously affected by the depression than were those of the people of most other Provinces. The economic situation which produced this result is also the cause of continued high costs of relief.

4. Over the seven fiscal years 1931-37 (the depression years) the average Budgetary result on current account was a deficit of about $685,000.

Expenses May Increase

5. We understand it to be the view of the Government that additional funds must be obtained for the preservation of the road system, for education and for mental institutions. While we do not feel qualified to estimate how large an amount is needed for additional expenditures of a character which cannot be postponed, we agree that some additional expenditures are inevitable, and we are not prepared to say that it is practical to increase revenues by further taxation.

6. There is no doubt that the substantial increases in debt incurred for relief purposes during the last six years have given cause for serious apprehension. The end of relief expenditures is not in sight, and there is undoubtedly a feeling that it is unwise for the Province to continue to accumulate debt for this purpose.

Drought Area Small

7. Manitoba has been fortunate in that the drought areas are predominately situated outside the Province. Notwithstanding this advantage, and the efforts of its Government, which, as we have indicated, have been very considerable, the Province is either not in a position to carry on, or is able to do so with assurance for no more than a short period, unless some unexpected favorable factor should appear.

8. The fact that Manitoba finds itself in the position described in this report indicates certain fundamental strains and weaknesses. And it seems to be the case that revenues are not adequate, or are not sufficiently elastic, to enable the Province to bear the burdens which modern practices of government and the force of the depression have placed upon it.

Manitoba does not stand alone in this respect. Other sections of the country are facing problems which may differ in degree from those of Manitoba but are not, in other respects, dissimilar.

Banks Are Free Of Western Bonds

The Canadian chartered banks are practically "free" of western provincial bonds, The Financial Post is informed by prominent bankers.

About four or five years ago, the banks apparently read the writing on the wall and gradually began to liquidate holdings of Alberta, Saskatchewan and Manitoba debentures. And they have been practically clear for the last two or three years. Consequently, the effect of Alberta's interest cut on chartered bank revenues was almost negligible. Further, apart from their general concern over the predicament of the other two Prairie Provinces, the banks have no immediate cause for worry regarding any possibility of further reductions in interest rates.

Liquidation of western provincials probably resulted in some loss to the banks, although the actual amount cannot be estimated.

Railway Ballot In Few Weeks

Situation Quiet Pending Strike Vote of 100,000 Workers

From Our Own Correspondent

MONTREAL.—More than 100,000 unionized railwaymen across Canada will make known their views within the next week on two important points:

(1) Acceptance of the majority award of the Rail Wage Conciliation Board, which was less than demanded, and

(2) Empowering their executives to call a strike unless a favorable settlement is reached with the C.P.R. and C.N.R.

At this time there is a lull in the dispute. Negotiations have been broken off, pending outcome of the ballot. At last week's conference of executives of 17 railway unions, balloting was authorized and arrangements are under way to distribute the forms. Voting has already taken place among the smaller subsidiary railway lines of the C.P.R. and C.N.R., but the majority will not vote until toward the end of this week and complete returns will not be available until some time next week.

The unions are asking for abolition of the 10% cut from basic rates of pay put into effect by the railways when the depression set in. This was partially restored more than a year ago. The Board of Conciliation has now given a majority ruling favoring an immediate restoration of 1% and a further reduction of 7% before the end of the year. The two railways agreed to abide by the majority ruling, but the union leaders want the full basic wage rate restored.

Until the balloting is complete nothing will be done toward reopening negotiations.

Newsprint Firms Talk Pro-rating

From Our Own Correspondent

MONTREAL.—Members of the Newsprint Association of Canada, as far as can be learned, discussed at their meeting here the pro-rating of newsprint tonnage among the different mills.

Last summer the New York firm of Stevenson, Jordan and Harrison, industrial engineers, surveyed the productive facilities of the newsprint industry. A report has since been made to the association showing that the total effective tonnage of the industry is much the same as previously estimated by the Newsprint Service Bureau, namely 25,500 tons daily. The survey, however, in some instances, shows considerable variation in individual mill ratings, both up and down from that previously recognized.

Dominion Will Appoint Royal Commission in Near Future

PERSONNEL UNKNOWN

From Our Own Correspondent

OTTAWA. — Announcement by the Dominion Government that it will appoint a royal commission to investigate the whole basis of division of taxation and social responsibilities indicates that Ottawa is at last prepared to tackle the most important public finance problem facing the Dominion at present.

Appointment of such a commission is a step which has been vigorously advocated by The Financial Post for several months. Announcement of the Government's intention followed quickly upon a report by the Bank of Canada on the financial plight of Manitoba, but the commission has been under consideration by the minister of finance for some months.

Decision of the Government to appoint a royal commission, coupled with the announcement that temporary subsidies will be granted to Saskatchewan and Manitoba until such time as the commission makes its report, was made known at this time in order to forestall possible arbitrary cuts in interest by these provinces.

Forestalls Interest Cut

Announcement of the Government's intention just two days before the opening of the Manitoba Legislature is in keeping with the facts revealed in previous issues of The Post. It was stated in The Post that unless Federal aid was forthcoming immediately, Premier John Bracken would announce to his caucus prior to the opening of the Legislature that his Government would reduce interest on its bonds. While Manitoba really wanted a refunding scheme under a Dominion guarantee it is probable that Ottawa action in granting temporary subsidies will enable Premier Bracken to hold in check the radical elements in the Legislature.

While no intimation of the probable personnel of the commission has been made by the Government, it is known that the names of several internationally known economists have been considered. The chairman of the commission will probably be an outstanding British economist.

Refunding Refused

Ottawa's decision is the fruit of suggestions made at the Dominion-Provincial conference in December last. Faced with a blank refusal on the part of the Dominion to widen the taxation powers of the provinces or to assume an additional cost of social expenditures such as unemployment relief, Premier John Bracken at that time strongly urged the appointment of such a commission as is now contemplated. At that time he suggested that unless some rearrangement was made as between provincial and Dominion rights and responsibilities, then the Prairie Provinces would be threatened with complete financial collapse.

Throughout the months of negotiations following the conference the Dominion has stood fast against proposals for refunding under Dominion guarantee and assumption of the entire cost of unemployment relief by Ottawa. In regard to refunding schemes the **Federal** authorities have taken the stand that nothing should be done that would tie Dominion and provincial credit together. For a time it was feared that no assistance would be granted to Manitoba and Saskatchewan, but recent events have shown the Dominion that another default or reduction in interest by another province would be costly to Federal credit.

Action Forecast

As long ago as Jan. 9, however, The Financial Post announced that the Dominion Government was fa-

(Continued on page 2, col. 6)

Mining Supplement

Its pages packed with interesting and informative material having to do with the industry, The National Mining Number of The Financial Post will appear with next week's issue.

In preparing this edition, the editors have borne in mind the fact that mining is a national industry, and that The Financial Post is a national newspaper. Despite the fact that the field covered stretches from the Atlantic to the Pacific, however, the forthcoming Mining Edition presents a close-up picture of developments at all the outstanding camps.

Many and varied have been the developments in the mining industry in the past year. Through it all, the mining industry has won through to a place of nationally recognized importance. To crystallize these tremendous advances, to present them in a readable, authoritative manner, is the goal of the forthcoming issue.

In addition to from-the-field articles dealing with developments at the various properties in the public eye, this year's edition will contain articles written by authorities on the broader side of the mining picture.

Another feature will be a cross section of a mine, showing in clarified and simple manner, the meaning of the various mining terms.

MEN'S SHOP

for Luxurious Leisure

Our artist has sketched three smart selections for leisure hours. The robe is of all wool flannel, in blue, with darker blue trim, $8.50. The pyjamas, specially made for the Men's Shop, from fine cotton broadcloth, in plain blue with darker blue edging, $4.00 pair. The soft padded sole slippers are of calf leather in blue, $3.50 pair.

Other Robes—sizes 36 to 44—$8.50 to $25.00.
Other Pyjamas—sizes 36 to 44—$2.00 to $10.00.
Other Slippers—various styles—$2.50 to $5.00 pair, sizes 6 to 11.

Free Parking While Shopping

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BAY STREET SECTION

EATON'S-COLLEGE STREET

Quebec Legislators On Electric Utilities

(Continued from page 1)

Montreal Light, Heat & Power Cons., and that Le Soleil would abandon its Liberal slogan, become independent, and become the organ of the "trust."

This story was promptly denied by the proprietors of both papers, and their lawyers threatened Le Journal with a lawsuit if a retraction was not published. Le Journal published the letter received from Le Soleil's lawyers, but the latter have claimed that they are dissatisfied with the answer.

Another electricity story, which has found its way into the public prints, and which centres about rate reductions, appears in L'Action Catholique, a paper which has strongly supported Dr. Hamel, and yet which is friendly toward the Duplessis Government. The story is to the effect that rate reductions will be announced before the opening of the session in order to distract public opinion from the movement launched by Dr. Hamel, and which makes provincial ownership of Beauharnois almost inevitable.

Quebec Hydro Urged

Dr. Hamel, whose split with Premier Duplessis almost immediately after the general elections of last August last came on the question of state ownership of Beauharnois, stated that he would not be surprised were reductions to be granted, "because", he said, "the 'trust' has never acted otherwise. In order to remain master of the situation it will grant a few further small reductions, if necessary; but this will not prevent consumers in this province, which is so rich in natural resources, from paying for their electricity at much higher rates than in Ontario, as long as we have no provincial hydro."

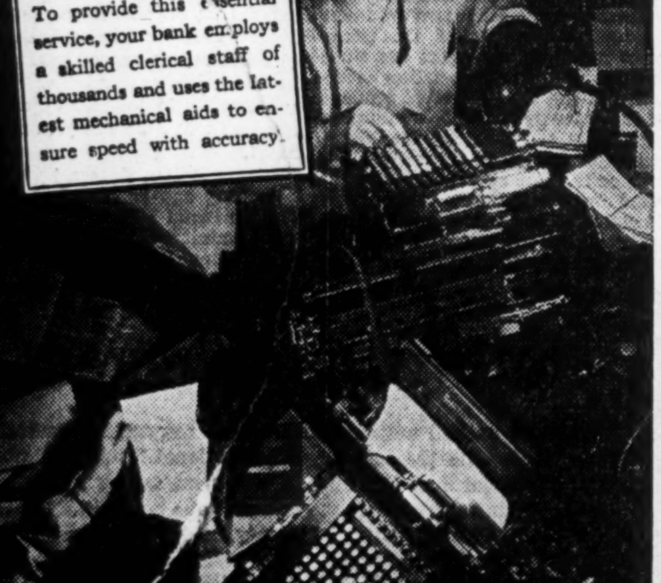
Even though rate reductions are granted, it is expected that the entire electricity question will be aired at length in the Quebec Legislature, for in all probability the Prime Minister will make one or two addresses on the question, while Dr. Hamel will certainly refer to prices being charged consumers in this province. Hon. T. D. Bouchard, present leader of the Liberal Opposition, and the man who was known as the "power Czar" in the province, is also expected to set into the debate. He introduced a bill in the Legislature a few years ago for creation of a provincial hydro. He is expected to point again to experiments in St. Hyacinthe, where it is claimed that the lowest domestic rates for the entire Dominion are paid, with a municipal plant, as conclusive evidence that Quebec should own its own provincial hydro, and end all dealings with outsiders.

Algold's New Mill Is Now on Property

The new tube mill which will step up mill tonnage to 100 tons daily is on the property, Algold Mines, Goudreau district, reports and should be installed shortly. Development on the property continues to extend previously proved ore length in the west ore body. Mine manager Mitchell states that with the 200-ft. level west drift now out 165 ft. in ore all the way, and the drift face in ore, earlier estimates of indicated tonnage are subject to upward revision.

YOUR ACCOUNT

To your bank, your account is one of thousands; yet it is never lost sight of. No matter how large or small it may be, full knowledge of its condition is instantly available to you, any time. To provide this essential service, your bank employs a skilled clerical staff of thousands and uses the latest mechanical aids to ensure speed with accuracy.



THE ROYAL BANK OF CANADA

OVER 700 BRANCHES IN CANADA AND 30 OTHER COUNTRIES

The Nation's Business

(Continued from page 1)

is willing to pay $3 out of $4 of the cost of establishing good British stock on the land in Canada and will, in effect, send us settlers on a "satisfaction guaranteed or immigrant taken back" basis. Yet we decline even to discuss the matter.

* * *

Our "First Citizen" Points to a Goal

THE chairman of the Canadian Club of Montreal introduced Sir Edward Beatty the other day as "Canada's first citizen." The cap fits the Canadian Pacific chairman and he is disposed to wear it and to assume the responsibilities thus imposed upon him. We may feel that he is speaking for a larger interest than that of the C.P.R. when he expresses a plea for "intelligent direction" of public affairs in Canada. It is a splendid position to which Sir Edward has attained. His wisdom and unselfishness are almost universally admitted. When he speaks, most thinking citizens are willing to listen.

The eight principles that Sir Edward has outlined do not cover all our national needs. They are no doubt to be regarded as examples of what we should strive for, as we aim to substitute national policy for haphazard and unplanned compromises in affairs of state. In transportation Sir Edward presents for consideration the idea that those who use transportation should pay for it, which seems simple enough but would present a complete reversal of Canadian practice over a long term of years. This principle is the central theme of the new book of Prof. Swanson, extracts from which have been published in The Financial Post in recent weeks.

Sir Edward has, too, something to say on the subjects of the tariff and a merchantile marine. He has previously made his views on the tariff quite clear, particularly in Winnipeg, about four years ago, but the proposal for public assistance to a mercantile marine is so new that some further elaboration of it is to be expected from Sir Edward on another occasion.

* * *

ALL of these matters are secondary to the main point of Sir Edward Beatty's programme; namely that we should so organize our taxation and public spending in Canada that public budgets can be balanced and the piling up of public debt be stopped.

As a matter of fact, if all public projects and legislation could be tested by one simple test; namely the degree to which they will help to keep the nation solvent; it would not be necessary to elaborate upon individual principles.

* * *

Who Won the Motor Strike?

WHO won the motor strike in the United States? Of course, no one won the strike. No one ever does win a strike any more than any one ever wins a war. Every one loses in a strike just as every one loses in a war. Some appear to lose more than others and that is the only difference between them when the strike or the war is over.

Toronto's Communist paper cheers the motor strike settlement as a great victory for labor. The United States Secretary of Labor thinks it was a remarkable victory for collective bargaining. But John Lewis's union won the right of bargaining collectively only for its own members and not for all General Motors employees, as demanded. And William Green, president of the American Federation of Labor, contends that labor has lost prestige in the strike.

* * *

THE strike settlement terms probably saved the face of Mr. Lewis. At least the General Motors Corporation is going to negotiate with him on establishing a wage scale that will support the "American standard of living." This is rather amusing in itself when one recalls that the automobile industry has provided for its workers the highest standard of living enjoyed by workers anywhere any time.

Yet the motor industry cannot feel that it has gained much out of the settlement. The first minor steps have been taken that may lead to ultimate unionization of the industry.

Several things stood out during the strike controversy. First, that in the United States there is no effective machinery for settling industrial controversies. Secondly, that when sabotage and machine guns are substituted for conciliation proceedings the forces of law are ineffective in keeping peace and order. Thirdly, that the administration at Washington bases its fundamental policy attitude regarding industrial relationships on the assumption that when there is a dispute the employer is always wrong on all points.

In the meantime, millions of dollars of new wealth that might have been created for division among workers, investors and consumers has simply failed to come into existence.

Who won the strike? Nobody.

* * *

Low-cost Housing; Whose Job Is It?

OUT of the prolonged discussion on low-cost housing or slum clearance in the House of Commons last week, two points emerge clearly.

The first of these is that there are in Canada today many people living in undesirable or even squalid quarters, and unable to afford anything better.

The second point is that nothing can be expected in the way of a definite and practical national slum clearance plan without the co-operation of all governmental groups, federal, provincial and municipal. No one class of government is ready to assume responsibility, and there is no defined field for private capital at this time, since "low-cost houses" means homes to be rented at less than a reasonable return on the capital that would have to be invested.

Both the Dominion Housing Act and the legislation now before Parliament dealing with the Home Improvement Plan have nothing at all to do with low-cost housing. Both of these schemes deal with the man who either possesses a substantial equity in his home and is able to keep up current taxes and interest or the one who, through a loan, is able to finance the building of a new home. The average dweller in the slums, on the other hand, has no equity and little hope of ever obtaining one. If he is able to provide about one-half the actual present cost of maintaining a modest dwelling that is about as much as can be expected. Radically different building methods, resulting in a sharp decline in costs, would greatly improve the picture, as would a rise in average incomes. These are longer term remedies that do not meet the immediate problem.

* * *

THE suggestion is made that some of the millions now being expended on relief (and in some cases on purely unproductive relief measures) might be better diverted to low-cost housing projects from which some permanent social return might be expected. Good as is this suggestion, its execution involves more difficulties than the sponsors seem to realize.

In so far as this relief money is going toward the maintenance of those urban families who can never be expected to regain a self-supporting basis, then some of the money might as well be turned into low-cost building projects. These relief recipients might be put to work on such projects. In this way they would be helping to provide for their own homes. But it would be ridiculous to attempt to pay wages to people who would be really working for themselves.

It would also be ridiculous for the municipal governments to expect this new housing to pay anything like the excessive taxation that applies on most urban real estate today. After all the problem is one of providing the lowest possible cost housing, not to provide new tax revenues, or support high wage scales.

It may be that some progress will be made by interesting quasi-public, philanthropic organizations. Where a community group is willing to provide unselfish, competent management and some financial contribution, the Dominion could probably loan the balance of the money cheaply while municipalities would give assurance of reasonable assessments.

Unemployment In U.S. Drops

The number of unemployed in the United States in December, 1936, was 8,399,000, according to estimates of the National Industrial Conference Board. This is a decline of 1,844,000 from the same month last year.

In November, 1936, employment in all types of enterprise in the United States is given at 43,855,000 workers. This is a gain of 5.8% over the same month in 1935. That was 7% less than the average of 47,156,000 workers employed in 1929.

A special study by the same authorities indicates that $1,019,000 would have been collected in 1929 had the full 3% tax on unemployment compensation under the Social Security Act been in effect that year. Collections would have declined to $493 millions in 1933, and in 1935 would have amounted to $629 millions.

Wiltsey-Coghlan Shows $13,138 Working Capital

In the balance sheet as at Dec. 31, 1936, Wiltsey-Coghlan Mines shows current assets totalling $13,438 made up of cash in the bank $4,430; call loan $1,300, accounts receivable, $58 and debentures at cost $7,650. Current liabilities comprise accounts payable and accrued charges of $300. H. S. Denny, president, reports that negotiations for raising funds for the development of the company's property in Rouyn area of Quebec have been carried on intermittently.

It is proposed to form as a subsidiary a company with an authorized capitalization of three million shares at $1 par, of which one million shares would go to the parent company and the balance left in the treasury would be used for providing cash for the proposed development operation. To date efforts to raise money have not been successful but Mr. Denny states that in opinion of directors it is only a matter of time when the required finances will be forthcoming.

Parkhill Gold (1937) Shares Called For Trading

From Our Own Correspondent

MONTREAL.—Capital stock of Parkhill Gold Mines (1937) has been called for trading by the Montreal Curb Market. At the same time the old stock of Parkhill Gold Mines has been removed from the board.

The listing covers the company's whole authorized capital of three million shares, of which 2,330,005 shares have been issued.

Under the terms of the sale, the shareholders of Parkhill Gold Mines receive two shares of new stock in Parkhill Gold Mines (1937) for each three share of old stock held.

Shawinigan's Chairman States Dividend Policy

From Our Own Correspondent

MONTREAL.—Shawinigan Water and Power Co.'s annual meeting was featured by a declaration of the company's dividend policy by J. E. Aldred, chairman of the board, and reference to the important rôle played by the company in promoting the growth of industry in Quebec.

The outlook for the company was good, stated Mr. Aldred, and in regard to future dividends he said that shareholders may rest assured that when the time comes, the directors will be as liberal as possible in their dividend policy.

Canadian Western Lumber Buys Rockefeller Timber

Canadian Western Timber Co., subsidiary of Canadian Western Lumber Co. has completed a purchase of approximately 500 million ft. of standing timber on Vancouver Island. The timber resources have been purchased from John D. Rockefeller, Jr., interests of New York. Not long ago, the Rockefeller interests sold a large tract of timber to H. R. MacMillan.

The deal negotiated for Canadian Western Lumber Co. is for timber mostly near the Nanaimo Lakes, about 20 miles west of Ladysmith. It is reported that the timber is not to be cut immediately, but will be held in reserve for future supplies after exhaustion of the company's near-by stands. The transaction will give the company satisfactory supplies of timber for many years to come.

Sarmac Gold Mining Places Drill Contract

From Our Own Correspondent

MONTREAL.—Sarmac Gold Corp. has placed a contract for diamond drilling with Boyles Bros. (Eastern) Ltd. This work will be directed toward intersection of ore at depth of 250 feet to 500 feet or more below the 250-foot crosscut, which would then give a vertical exploration depth down at least 750 feet from the surface.

Montagu Gold Mines Capital Increase Approved

From Our Own Correspondent

MONTREAL. — Shareholders of Montagu Gold Mines have approved an increase in the company's capital stock from one million to two million shares.

Subject to the granting of supplementary letters patent, 200,000 shares of the new stock will be offered to present shareholders at 35 cents a share on the basis of one new share for each share now held.

Wood Cadillac Drill Gets Encouragement

Directors of Wood Cadillac Mines report the receipt of results on diamond drill hole "X" which was drilled jointly with Pandora Cadillac Gold Mines on the boundary of the two companies' property.

One two-ft. section from drill hole number "X" returned $33.60 per ton. Other values range from 70 cents to $16.80 over widths of one to two feet.

New Dominion Branch

The Dominion Bank opened a branch at Rouyn, Que., Feb 15, under the management of I. D. Simmons.

LamaqueGold Has Fine Year

Ore Reserves Up, Stronger Working Capital, at Teck Subsidiary

Annual report of Lamaque Gold Mines, Teck-Hughes young producing subsidiary in Quebec, shows a net profit of $842,517 for the first full year of production, equivalent to about 28 cents per share.

At the same time, development work had kept ahead of the mill with the result that ore reserves had been increased 155,987 tons during the year to 472,178 tons grading $11.98 pay ton at the end of the year, 1936. During the period, the mill handled an average of 550 tons per day.

Dr. D. L. H. Forbes, president, reports that during the year new ore was found on all levels from the 100 ft. to the lowest level, 1,200 ft. It is hoped that No. 7 shaft, started in 1936, will be completed to a depth of 2,000 ft. in 1937. At that time it is planned to start sinking an interior inclined shaft from the 1,200 to the 2,400 ft. level.

H. N. Read, superintendent, in his report, states that during the year 201,356 tons was treated, with a recovery of 76,697 ounces, equivalent to $13.34 per ton. Operating costs, including depreciation, interest on bonds, and write-offs for preliminary development at the rate of 50 cents per ton, totalled $1,681,834, or $8.35 per ton.

In the balance sheet as at Dec. 31, 1936, current assets total $878,737, of which $630,036 is cash. Current liabilities totalled $315,459, leaving a working capital of $563,278. This is a sharp increase from the $62,116 working capital shown at the end of 1935.

Manitoba, Saskatchewan, Get Temporary Help Pending Tax Survey

(Continued from page 1)

vorably considering the payment of increased subsidies to the Prairie Provinces pending the report of an investigating body.

The amount of the temporary subsidy which the Dominion will pay to Manitoba and Saskatchewan will be the subject of discussions with the provinces. Hon. C. A. Dunning, minister of finance, has stated that no decision has been made. Since British Columbia has been receiving $750,000 as a temporary annual payment, it is suggested that a similar amount will be made available to the two prairie provinces.

Will Not Solve Problem

Over the seven depression years, Manitoba has had an average deficit on ordinary account of $685,000. In the past two years the showing has been better than this, a small surplus being shown before unemployment relief.

In the current fiscal year, however, ordinary account again shows a deficit, being estimated at $250,000. This has been partly due to the necessity of increasing expenditures of certain departments which had previously been reduced below a reasonable minimum. In addition, some capital expenditures on roads are becoming urgent.

Payment of $750,000 would not solve Manitoba's problem, but it would enable the province to avoid default on its bond payments and to balance its budget on ordinary account, pending a new taxation set-up. The province, in fact, is already receiving some budget assistance from the Dominion since interest on advances from the Dominion is not being collected.

Alberta is a Problem

In the present situation Alberta presents somewhat of a problem. It is fully realized that discrimination will be bitterly resented. For this reason Ottawa has indicated that Alberta can get similar assistance by coming to Ottawa and discussing problems in a co-operative spirit. The Dominion, however, will want assurance that such subsidies are not to be employed in setting up state credit houses or in paying social credit dividends.

It is probable that the financial enquiry will pave the way for revision of Canada's obsolete constitution, the B.N.A. Act, at least in respect to taxing powers. The findings of the commission will probably bring into relief those stresses and inequities which are causing so much concern at present. Thus, on the basis of its findings, it may be possible for the Dominion and the provinces to get together and discuss desirable changes in the B.N.A. Act.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	Feb. 9	Feb. 10	Feb. 11	Feb. 12	Feb. 13	Feb. 15
U. S. Dollar, High	1.00 1/16	1.00 1/16	1.00 1/16	1.00 3/32	1.00 1/16	1.00 1/16
Low	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32
1936 High	1.00 3/32	1.00 1/16	1.00 3/32	1.00 1/16	1.00 1/32	1.00 1/32
Low	1.00 1/32	1.00	1.00 1/32	1.00 3/32	1.00⅛	1.00 1/16
U. K. pound	4.89¾	4.90	4.90	4.90	4.89½	4.89¾
Australia	3.92	3.92¼	3.92¼	3.92¼	3.91¾	3.92
Austria	.1874¼	.1874¼	.1874¼	.1873	.1874½	.1873¼
Belgium	.1688½	.1688	.1688	.1690	.1687½	.1688
Brazil	.0625	.0610	.0610	.0610	.0325	.0615
Czechoslovakia	.0349¼	.0349¼	.0349¼	.0351	.0349¼	.0349¼
Denmark	.2188¼	.2189¼	.2188¾	.2190	.2187¼	.2187¾
France	.0466¼	.0466¾	.0466½	.0467½	.0465¾	.0466
Germany	.4026	.4026	.4026	.4034	.4026	.4026
Greece	.0090	.0090	.0090	.0091	.0090	.0090
Holland	.5479½	.5466½	.5479½	.5465	.5449½	.5473½
Hungary	.1981¼	.1976¼	.1976¼	.1960	.1976¼	.1976¼
India	.3707¼	.3707¼	.3708¼	.3706	.3706¼	.3706¼
Italy	.0526¾	.0526¾	.0526¾	.0528	.0526¾	.0526¾
Japan	.2857¾	.2859¾	.2859¾	.2858	.2856¾	.2857⅞
Jugoslavia	.0233¾	.0233¾	.0233¾	.0235	.0233¾	.0233¾
New Zealand	3.95	3.95¼	3.95¼	3.95¼	3.94¾	3.95
Norway	.2462½	.2463½	.2463	.2464	.2461½	.2462½
Poland	....	.1896	.1896	....	....	....
South Africa	4.88¾	4.89	4.89	4.89	4.88½	4.88¾
Sweden	.2526½	.2527½	.2527	.2528	.2525½	.2526½
Switzerland	.2285½	.2284½	.2284	.2285	.2283½	.2282
Hong Kong	.3045	.3042	.3042	.3040	.3042	.3042

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Owen Sound	Feb...	Dominion Securities Corp.	4%	5 ins. 10 ins. 15 ins. 20 ins.	$46,144 18,500 17,337 8,010	104.174	3.11%
Sorel, Que.	Feb...	Comptoir National de Placement	4% 4%	14 yr. Ser. 15 yr. Ser.	15,700 25,000	.....	.....
Dominion—							
Canada Treasury Bills	Feb...	....	....	May '37	$25,000,000	99.811	.776%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Fabrique Notre Dame de la Defense	......	Societe Generale de Finance	4%	Serial	$250,000	100	4%
Stock Issues—							
Britcana Gold Mines	Feb...	Taylor S. Pennington & Co.	....	....	150,000 shs.	50c	.....
Sol'd Or Gold Mines	Feb...	Colling & Colling, J. R. Mooney & Co.	....	Treas.	300,000 shs.	40c	.....
Prairie Royalties	Feb...	Gray, Byrne & Co.	....	....	800,000 shs.	25c	.....
Monarch Royalties	Feb...	Gray, Byrne & Co.	....	....	800,000 shs.	25c	.....

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Transport Bill Gives Board Wide Powers

Rate Making and Licensing Authority For All Traffic Vested in Body

CHECK HARBOR TOLLS

From Our Own Correspondent

OTTAWA.—Far-reaching powers over every form of transportation are given the new federal transport commission by the bill creating it now before the Senate at Ottawa. The act changes the name of the "Board of Railway Commissioners for Canada" to the "Board of Transport Commissioners of Canada."

All rate-making powers authorized by the Railway Act apply in the new bill to transport by water. Tolls, tariffs, the filing of statistics and making of returns, hitherto vested in the board of railway commissioners, now apply as well to motor and air-line transportation. Penalties for contravention of the provisions range from a minimum fine of $100 to the maximum of $1,000.

Additional provisions empower the minister to license ships plying from ports in Canada to foreign ports, authorize the operation of aircraft and permit "public or private commercial vehicles to transport goods or passengers in interprovincial or foreign trade, or upon a Dominion highway."

License Vehicles

The board also has power to make all licensed vehicles conform to such standards of design and operating efficiency as it deems necessary. Dealing with harbor tolls, the act authorizes the board to decide whether they are just or reasonable, and if found unreasonable it may rescind them and substitute new tolls.

Carriers may contract privately to transport goods with the board's approval. If the contract's object can be secured by means of a special tariff under the Railway Act, the board may deny permission for it to be carried out.

Any carrier may appeal to the board to set new charges where he considers that the former ones have discriminated against his business. Part 7 of the act forbids brokers in ship charters or transport of any other kind to make transport contracts which do not comply with its provisions. The board shall employ, according to Part 8, the rules of the Railway Act relating to hearings.

The minister of transport may also satisfy himself, before approving any proposed transportation service, that it "is or will be required by the present and future public convenience and necessity."

Board Defers Decision on Eastern Light Offering

From Our Own Correspondent

MONTREAL.—Decision has been reserved by the Nova Scotia Public Utility Board on the application of the Eastern Light and Power Co., of Sydney, for approval of an issue of $530,000, made up of 53,000 common shares of a par value of $10 each.

Transport Association Opens Fire on New Bill

Truck and Bus Men Organize Opposition to Measure Now Before Dominion Senate

Hon. C. D. Howe, minister of transport, has poked a hornet's nest into activity in giving the Senate of Canada his bill to convert the Board of Railway Commissioners into a Board of Transport, with jurisdiction over rail, water and airway transport, and, to some extent, highway transport.

Formed in Winnipeg in January, the Canadian Automotive Transport Association will cut its teeth on the bill now being dissected at Ottawa. For years, transport operators have felt the need for a Dominion-wide body that could speak with the authority of one voice for the industry. A few provincial associations have borne the brunt of this work. Now they have welded themselves together, and appointed M. J. Patton, M.A., well-known expert on motor transport, as their active secretary.

Rush to Ottawa

Both shippers and carriers, except for the railways, are hastening to Ottawa in the van of letters, telegrams, briefs and appeals, and are being heard by the Senate Committee this week. It is charged that the transport situation is being handed over to the mercies of the railways. There are many clauses in the bill that, on study, it is claimed, reveal unsuspected implications.

For instance, all highway transport engaged in interprovincial or foreign carrying must have Dominion licenses and comply with many Dominion requirements, says the bill, and must prove public necessity. Further, the Board can extend its control right into a province, says the bill. A shipment originating at Kitchener, destined for Montreal, may be carried by one trucking organization as far as Toronto, dropped there and taken up by another for the remainder of the trip, or any part of it. The Kitchener-Toronto carrier will come under the control of the Dominion Board, and might, it is believed, even have to have a Dominion license in addition to his provincial license, whether the goods were on a through bill of lading or not, because he touched an "interprovincial" shipment.

Charges Attacked

Provision for "agreed charges" is attacked. A railway, for instance, can make an agreement with a shipper to carry goods between any points at agreed special rates, and do so providing the Board agrees. These rates, it is declared, might be such as the trucker covering the same route could not possibly meet, this side of bankruptcy. One would at first glance argue that the shippers would be glad to get the lowest possible rates, but they are taking the view that this permission has within itself the seeds of monopoly. Shippers and highway transport operators maintain that it has not worked satisfactorily in England, where it is being tried.

The Dominion Government cannot, because of B.N.A. Act limitations, control intra-provincial highway transport. This remains the right of the provinces, and most of the provinces have, in the past few years, been taking steps toward some sort of control and co-ordination themselves.

Both shippers and highway carriers have, in the main, agreed that provinces should exercise their right to control traffic to the extent of co-ordination, and the elimination of unfair practices. They are agreed on the desirability of filing rates, in the main, and some sort of order has been slowly evolving out of the chaos into which transport was thrown by the advent of the motor truck. Both parties might be persuaded to agree that the Dominion Government, if it could get provincial right-relinquishment agreements, should do the co-ordinating and regulating, but they declare that Mr. Howe's proposal is definitely one-sided, dangerous, and likely to give original chaos another vigorous stir rather than settle it.

C. I. I. Trust Increases Dividend on Preferred

From Our Own Correspondent

MONTREAL. — Directors of Canadian International Investment Trust have declared a dividend of 2½% on the company's 5% cumulative preferred stock, payable March 1 to holders of record February 15.

At the beginning of last December the company resumed payments after a lapse of about five years and paid 2½%. The forthcoming payments will leave arrears of 21¼%.

Dosco Raises Payment On Participating Bonds

From Our Own Correspondent

MONTREAL. — Dominion Steel and Coal Corp. announce that an interest payment of 4¼% will be made on March 1 next, on the 6¼% cumulative participating registered income bonds. This payment is based on the second half of 1936.

At the beginning of last September payment of 1¾% was made. The forthcoming disbursement consequently brings the total paid for 1936 to 6%.

The increased amount paid on the basis of 1936 earnings compared with 1935, when only 3¼% was distributed to bondholders, is interpreted as an indication that the forthcoming annual report for 1936 will show a substantial improvement.

Executive Changes Made in Ontario Paper Co.

From Our Own Correspondent

MONTREAL.—Ontario Paper Co. announces appointment of Roy Shaver as manager of the Comeau Baie Division of the company. He will be in charge of operations in the new town, newsprint mill and power plant at Outardes Falls. Woods operations will continue to be in charge of the woodland department under G. B. McGraw.

The company also announces that D. W. Ambridge has been appointed assistant to the president.

Ottawa Valley Bond Interest Now Covered

Full Interest Plus 5½% Arrears Accrues From April 1

NEW HYDRO DEAL

Under the new contract with the Hydro-Electric Power Commission of Ontario, it appears that Ottawa Valley Power Co. will be able to cover annual interest charges on its 5½% first mortgage bonds at least 1.5 times, and possibly by a greater margin.

The supply of power from the Chats Falls plant is expected to be helpful to the Ontario Hydro by next November, when the 1937 power load will be climbing to its peak, but the power is not regarded as an essential to the Hydro until that time.

Interest payments on the bonds at 5½% is expected to be resumed next Oct. 1. The two coupons for Oct. 1, 1936, and April 1, 1937, amounting to 5½%, have been deferred until April 1, 1938. However, the company can pay these installments, with interest on the interest at 5½%, by giving 30 days notice.

The position of Ottawa Valley bonds, therefore, is that they will bear 5½% interest from April 1, with possibilities of additional payments totalling 5½%. Consequently they have risen to a premium. They are callable at 104¼, but not until all interest is paid. The redemption price drops to 104 next Oct. 1.

Other Possibilities

Although refinancing of the bonds is not an immediate prospect, the company, by calling the bonds and refunding them with a lower coupon issue, may eventually be able to save a large part of the concession on power rates given to the Ontario Hydro. Another possibility in the situation is purchase of the plant by the Ontario Hydro under its option which might result in refinancing of the issue by the Commission.

For the present, the company's exchequer has suffered a severe loss, estimated at over $2 millions, due to the cancellation of its former contract and the resultant loss of 15 months' revenue and to heavy litigation costs. The precise position of the company's finances and earnings is not public knowledge because, being a Quebec incorporation, the power firm does not disclose its accounts.

Calgary Power Co., which owns control of Ottawa Valley Power Co., does not stand to get any immediate benefits from the new power deal with the Ontario Hydro. Bondholders of Ottawa Valley Power Co. receive deferred interest before any dividends can accrue to Calgary Power, and it is also believed that restoration of working capital will take some time. However, Calgary Power would receive a major part of the payment if the Ontario Hydro were to buy the Ottawa Valley firm's half of the power plant at Chats Falls on the Ottawa River. The Ontario half of the plant is already owned by the Hydro.

New Power Deal

The Ontario Hydro and the Government have completed a new deal with the company to buy 96,000 h.p. at $12.50 per horsepower running from Feb. 4, 1937, to Oct. 1, 1971. This represents revenue of $1,200,000 annually compared with $1,440,000 annually under the former contract. The reduction of $240,000 in the company's gross income is partly offset by assumption of transformer costs and costs of buildings at Chats Falls by the Ontario Hydro.

The new deal provides that if the Hydro pays more than $12.50 per horsepower to other Quebec companies when their new contracts expire in 1945, then Ottawa Valley Power Co. will get similar increases.

The new agreement extends an option to the Ontario Hydro to buy the 50,000 shares of common stock of the power company for $5 millions. Premier Hepburn of Ontario has stated that the Government does not intend to exercise the option at present.

The whole new deal is subject to ratification by legislation, but the Ontario Government is expected to adopt the necessary measures. The compromise plan puts an end to the litigation between the company and the Ontario Hydro which had reached the Privy Council.

Subsidiary Features

Other features of the agreement between the company and the Ontario authorities include these provisions:

That the Ontario Hydro must give three months' notice before exercising its option to purchase the company's undertaking.

That in the event of purchase, the Hydro assumes the company's bonds and other funded debt.

That the company gets no payment for the 15 months between the expiration of the old contract and the commencement of the new one.

That the Hydro saves, and the company loses, $146,000 to $170,000 annually.

That the company pays all taxes and water rentals imposed by the Dominion or Quebec Governments.

That withdrawal of power for use in Quebec is not to exceed 12,000 h.p. for seven years, and that one year's notice be given before any withdrawal.

That the Hydro may receive as high as 117,000 h.p. from the plant at periods of peak loads without paying for more than the 96,000 h.p. under contract.

Union Asks Investigation Of Strike at Burns Plant

Meat Cutters and Packing House Employees' Union at Vancouver has requested the Department of Labor, Ottawa, to investigate the labor situation involved in a strike of employees of Burns & Co. The strike at the packing company's Vancouver plant started in the last week of 1936.

H. G. Ware, president of the Union, recently suggested to the Dominion Minister of Labor, Hon. Norman Rogers, that the situation warrants full investigation.

Walker Insurance Award Expands Working Capital

Hiram Walker-Gooderham & Worts Ltd., has obtained final settlement in U. S. Federal Court at Chicago of the claim of its major American subsidiary for fire losses. The award is for $1.8 million, and it is stated that by provisions of the judgment order insurance companies have agreed not to appeal and to pay the full award. The company, in turn, has waived interest on the insurance claim.

The insurance award amounts to approximately $2.50 a share on the common stock, or more than the annual dividend rate of $2 a share. The company also showed earnings equivalent to $2.45 a share on the common in the quarter ended Nov. 30, 1936. In view of these substantial additions to working capital, there is considerable speculation on whether another block of the 4¼% convertible bonds may be called or whether there may be an increase in the dividend on the common. The company had working capital of $20.5 millions last Aug. 31.

Bond Conversion

The company called $2 millions of the bonds for redemption on Dec. 1, 1936, reducing the amount outstanding to about $5.5 millions. If the amount of bonds were reduced below $4 millions, the conversion feature would change. At present, holders of the bonds can convert into common stock at a price of $45 a share. If the bonds are reduced below $4 millions, holders may convert at $55 a share.

The insurance award arose from a fire in July, 1935, which destroyed one or the rack warehouses at the plant of the subsidiary, Hiram Walker & Sons Inc., at Peoria, Ill. The claim was contested by insurance companies.

B.C. Wants $48 For Newsprint

Powell River Conference in South Reported Inconclusive

From Our Own Correspondent

VANCOUVER. — While British Columbia newsprint mills are continuing to make regular shipments to the southwestern states, it is understood that a conference between representatives of the Powell River Company and Texas publishers and bankers reached no conclusive decision.

Officials of Powell River, on their return here, intimated that no change was being made at present in the price of newsprint to the southwest, although it was felt on this coast as well as in the east that there should be an advance, possibly to $48 a ton. They indicated that the contracts would not be reopened until the fall.

Meantime the Texas interests are going ahead with a plan for establishment of a newsprint mill at a cost of $5 millions to use yellow pine. Although southwestern chemists believe the scheme to be practical, Powell River officials are sceptical and point out that a great many technical problems must be solved before satisfactory newsprint for modern high-speed presses can be produced from southern woods. In any event, of course, the southern newsprint would not be available for a year or so.

Meanwhile a new British Columbia pulp enterprise has come into production. Port Mellon Operating Company, on Howe Sound, formerly known as Vancouver Kraft, Ltd., and financed by American interests and Kleinwort & Company, London bankers, is operating on an 80-ton basis, shipping kraft pulp to the United States and the Orient. A sawmill is also being run in connection with the enterprise, headed by C. W. Leadbetter, owner of several paper plants in the northwest states.

International Utilities Wipes Out Pref. Arrears

Arrears of dividends on the $7 prior preferred and the $3½ prior preferred stocks of International Utilities Corp. will be entirely liquidated on March 1 with payments of $4 and $2 a share respectively to shareholders of record Feb. 20. The regular quarterly dividend of $1.75 on the $7 preferred and 87½ cents on the $3.50 preferred was paid Feb. 1.

Liquidation of arrears of dividends on the first two issues of preferred indicates that the company's earnings recorded further recovery in 1936. Including the March 1 declarations, total dividends on the $7 preferred since the beginning of 1936 amount to $15.37 a share, and on the $3.50 preferred, $7.68½ a share.

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Investment Trends

Stock Market Signs Regarded as Better

After Three Months Caution, Dow Theorists Become Favorable to Further Advances; Discrimination Still Strongly Recommended

After three months of uncertainty, stock market signals now appear to point to a probability of higher prices over months immediately ahead. The signal lights are not yet green, but market analysts believe they soon will be. This view, based on the Dow theory of price fluctuations in New York, is noteworthy because it was the same analytical basis upon which the pre-Christmas weakness and the subsequent irregularity were predicted. Since last November, caution has been advised consistently and appears to have been warranted.

It is now suggested that, if definite go-ahead signals appear as expected, the best share prices of the year may be attained in the first six months. There is still ground for caution in the extent of the market rise of the past two years without serious interruption, but fears of a prolonged reversal have diminished for the present.

Canadian stocks may lag behind a rise in New York, of course, but usually they take up the Wall Street trend. The most likely favorable influences for Canadian markets are higher contract prices for newsprint and the usual early anticipations of a big western grain crop.

Better Signs

STRENGTH has developed in railway shares in New York after four months delay. This is interpreted by market analysts as partial encouragement of the strength of industrial shares. Definite confirmation of a probable upward trend in the months immediately ahead would be signalled if the Dow-Jones average for rails were to break through the 1936 high of 59.9. The recent level has been approximately 58.

The prospects for further advances now appear better than for several months. Investors are warned by advisers, however, that the extensive rise of prices of the past two years makes it essential to exercise discrimination in new common stock purchases. Partial reinvestment of liquid funds in shares that have the best prospects for 1937 is being suggested, on expectations that prices may now rise another 10 per cent on the average.

A further rise of stocks on Wall Street might carry the Toronto Stock Exchange index for industrial shares above 180 and the Montreal Stock Exchange index above 120, compared with recent levels slightly above 170 and 110 respectively.

* * *

London Optimism

LONDON opinion on the strength of the stock market, which has been particularly marked in Great Britain, is still optimistic. A recent comment on the situation by Leopold Joseph & Sons is as follows:

> "We are driven back to the conclusion that the market suffers from overvaluation, but by all modern tests there is every reason to suppose that inflated values will go higher yet. The reservoir of investment money grows steadily, and it has no real outlet except in good investment stocks. On a market already denuded of most of its good leaders by private and trust buying, new orders are likely to have a price effect altogether out of relation to their volume.
>
> "In any event, industrials and commodity shares would seem, if present conditions continue, to be headed for higher levels. Rubbers and oils and the base metals all have the appearance of being destined for greater heights. Any temporary setback need not worry holders unduly; the main trend should be upward whatever the gradients of the advance.
>
> "One paradox may be noted at such a time as this. While the published results of great enterprises may show to the sophisticated mind that the market has discounted over much immediate earnings, the average buyer of securities is unaffected by any such conclusion, but is affected by the boomday and the hurrahs of increased profits. He is less inclined to relate earnings to dividends than to general optimism. A succession of good reports, such as we are now getting, strengthens the investment morale and induces more eager buying. This effect will certainly be felt for many months to come."

* * *

Grain Companies

I AM informed, says a reader, that grain shares will be attractive for investment in the near future. Do you agree?

This raises a question concerning shares that are among the most depressed on the Canadian stock exchanges. The exceptional depression of grain shares is due to the fact that the companies have had lean years, and this is particularly notable at present. The companies are suffering from the small volume of new grain in western Canada, and also because of loss of storage due to sale of the bulk of the Canadian wheat supplies.

The situation of the grain companies would be changed materially if a substantial crop were harvested in the western provinces in 1937. Such a crop, moved gradually for export, would result in marked improvement in earnings. The question, therefore, of whether grain stocks will prove attractive investments this year depends almost entirely upon the size of the western crop and the way it is handled. The situation will be clearer by late summer when the size of the crop will be apparent. In the meantime, the depressed shares of grain companies, as short-term holdings, represent something of a gamble on this year's wheat crop.

* * *

Increased Speculation

BOTH Montreal and Toronto stock exchanges have reported increases for some months in borrowing of member firms. These loans represent largely purchases of stocks on margin, a portion of such purchases being financed by bank borrowings. Consequently, the figures give a direct indication of the increase in public speculation.

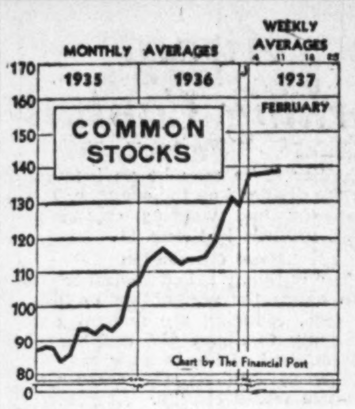
Comparative borrowings are as follows:

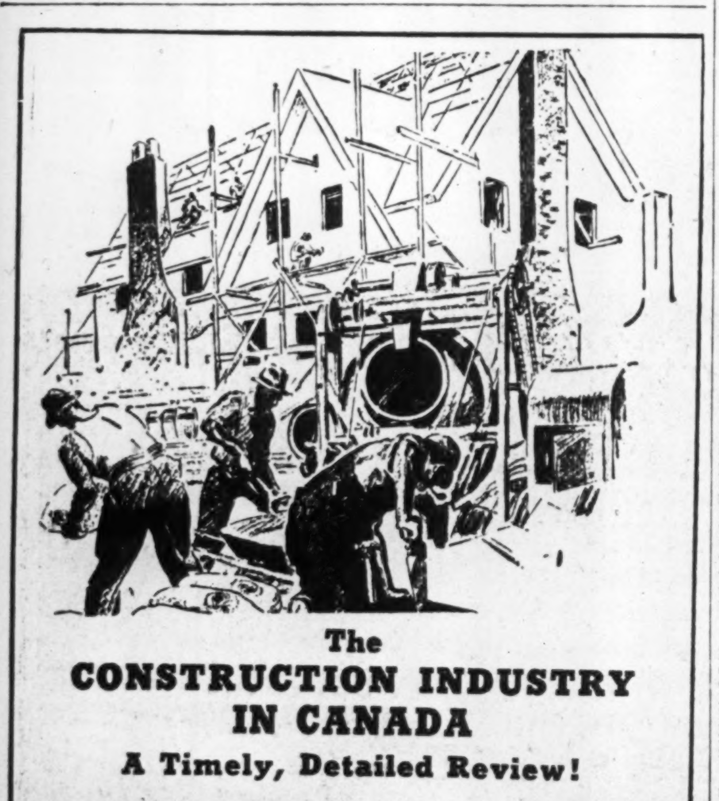
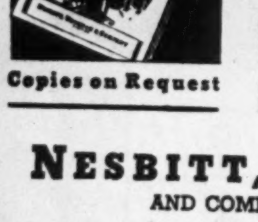
Borrowings of Exchange Firms
(In millions of dollars)

	Toronto	Montreal	Total
Jan. 30, 1937	46.8	39.1	85.9
Dec. 31, 1936	43.8	35.6	79.4
Increase	3.0	3.5	6.5
Dec. 31, 1935	24.8	18.6	43.4
Incr. 13 months	22.0	20.5	42.5

The increase of $42.5 millions in member borrowings in 13 months is almost double the total loans of members at Sept. 30, 1935. The figures exclude borrowing of bond affiliate firms, and borrowings on foreign securities, so the rise in loans represents almost entirely speculative dealings in Canadian stocks. Part of the increase in loans, of course, is attributed to the fact that prices for stocks have increased very materially, this necessitating larger loans than heretofore to finance an equal number of shares. However stock market averages indicate an increase in the general level of prices of only about 25 to 30% in the past year, so the evidence points to a considerable increase in speculation.

The significance of this to stock market trends is that the greater supplies of stocks in the hands of day-to-day traders represent a source of potential liquidation from time to time. As the borrowings increase, the possibility of a temporary liquidating period is greater. On the other hand, the maximum long-term growth of brokers' loans may not be reached for several years.

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Security Offerings

Canada Veneers

From Our Own Correspondent

MONTREAL.—Irving Brennan & Co., Saint John, is making a public offering of $100,000, 6% cumulative participating preferred stock, par value $10 a share, of Canada Veneers Ltd.

This company was organized in 1933 to manufacture rotary cut birch and maple veneers and miscellaneous hardwood products. It is estimated that working its complete unit, the company will be able to earn in excess of $25,000 a year.

The pro forma balance sheet shows an issued capitalization of 7,500 shares preferred and the same number of common shares. Upon completion of the financing, the working capital of the company will amount to approximately $40.000, equivalent to 40% of the outstanding preferred stock.

Funds from the present financing will be used by the company to acquire new property, machinery, and to provide working capital.

Aluminium Ltd. Restores Preferred to Paying Basis

From Our Own Correspondent

MONTREAL.—Directors of Aluminium Ltd. have declared a dividend of $1.50 on the 6% cumulative preferred stock, being a resumption after a lapse at June 1, 1932, when 75 cents a share was paid.

Aluminium Ltd. is primarily a holding company, owning all the outstanding stock of Aluminum Co. of Canada and a majority interest in 38 subsidiary companies engaged in the mining and bauxite production, fabrication and sale of aluminum.

In addition to a funded debt of over $17 millions, the company has outstanding $12.5 millions of 6% cumulative preferred stock which was offered to the public in May, 1930. At the end of 1936 this stock was in arrears $27.75 a share.

Quebec Power Board

From Our Own Correspondent

MONTREAL.—Following adoption of the annual report, the following officers and directors were re-elected at the annual shareholders' meeting of the Quebec Power Co.; Julian C. Smith, president; Howard Murray, vice-president; W. S. Hart, treasurer; James Wilson, secretary; C. H. Branchaud; Senator J. P. B. Casgrain, Senator Georges Parent, Senator D. O. L'Esperance, Dr. Milton Hersey, J. S. Royer, A. C. Picard, Senator L. C. Webster, C. E. Taschereau and J. E. Tanguay, general manager.

Winnipeg Stocks

(Transactions from Feb. 8 to Feb. 13)

	Sales	High for period	Low for period	Close Feb. 13
Canadian Fire..	25	78.00	78.00	78.00
Can. Airways .	20	10.00	10.00	10.00
Cres. Cream. pf.	75	37.00	36.00	37.00
Cryderman	9,000	.03	.02	.03
Flin Flon	17,400	.17	.16	.16½
Flintoba	5,000	.01¼	.01¼	.01¼
Frontier	200	.19	.19	.19
Gt. Falls M.....	16,550	.35	.17	.28
Gold Lake	55,056	.10	.04	.08½
Gt. West Life..	3	353.00	353.00	353.00
Gurney Gold ..	23,450	.65	.55	.61
Herb Lake	1,200	.25	.25	.25
Island Lake ...	1,750	.04	.04	.04
Knee Lake ...	17,300	.05	.04	.04
Kingfisher	4,500	.03	.02½	.03
Optic Lake ...	185	1.75	1.50	1.50
Ore Grande ...	9,100	.13½	.12½	.13
Marvel Oils ...	9,800	.13	.11	.13
Sovereign Life.	10	17.00	17.00	17.00
Packsack	4,900	.29	.27	.27
Sachigo	213	21.00	19.50	19.50
Scotia Gold ...	2,000	.02½	.02	.02½
United Grain .	39	10.00	10.00	10.00
Wings	500	2.10	2.00	2.00
Wpg. R. Tin. ..	16,500	.02	.02	.02
Wallace Lake .	17,000	.04½	.03½	.04½
Wylie Dom. ...	4,700	.55½	.50	.55½
Wingold	93,150	.10½	.06½	.09½
West. Brew. ..	231	1.30	1.25	1.25

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Ins.	..	100
Can. Indemnity	125	..
Comm. Securities	..	10
Home Invest.	20	..
Northern Mtge., part pd. ...	..	3¼
North. Can. Mtge., pf.	3	..
Northern Trust	..	9½
West. Steel, pf.	7¼	8½

*Stocks more active on other exchanges not included.

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Investment Notes

International Nickel—Sale of 1,000 shares in the final quarter of 1936 is reported by Fundamental Investors, Inc., American investment trust.

* * *

Steel of Canada—Eight dollars a share still has to be paid on the common to equalize with past payments on the preferred. In last week's issue, $10 was reported in error, as $2 a share extra was disbursed on the common on Feb. 1.

* * *

Fanny Farmer—W. M. MacDonald & Co., Toronto Stock Exchange firm, describes the stock as "an excellent speculative investment with the prospect of substantial yield."

* * *

Donnacona Paper—This company anticipates a considerably higher rate of newsprint production in the current year, as a result of the improved contract position and increasing demand. Improved sales demands for insulating board are also anticipated. Plant extensions are now being carried out, which will increase productive facilities.

* * *

Tooke Bros.—After operating at a loss for several years, prospects for this company appear somewhat better. Reporting on operations for the past year, W. K. Trower, president, states that for the last six months of 1936 a fair profit was made. He also expressed confidence that 1937 would show satisfactory results.

* * *

Maritime Telephone—Business of the company maintained a steady, if not spectacular, growth in the past year. According to the management, there is every indication that this will be continued and probably bettered during 1937.

* * *

Canadian Investment Fund—Net asset value per share at the end of 1936 was 20% higher than at the end of the previous fiscal year. At December 31 last, total net assets, securities valued at market, were nearly $5.3 millions, compared with $3.5 millions at the end of 1935. The rise of over $1.7 million was accounted for in part by an increase in the number of shareholders and outstanding shares. Major holdings of the fund at Dec. 31, 1936, included:

$10,000 C.P.R. convertible 3's, 1945.
600 shs. Canadian Celanese 7% pfd.
5,500 shs. British American Oil.
5,500 shs. Imperial Oil Ltd.
5,000 shs. International Petroleum.
4,400 shs. National Breweries com.
4,000 shs. International Nickel.
4,000 shs. Hollinger Consolidated.
3,500 shs. Hudson Bay Mining.
3,500 shs. Imperial Tobacco.
3,300 shs. Noranda Mines.
3,300 shs. Cons. Mining & Smelting.
3,300 shs. Loblaw A and B.
3,200 shs. Steel Co. of Canada com.
3,200 shs. Dominion Bridge Co.
3,000 shs. Lake Shore Mines.
2,500 shs. Montreal Light, H. & Pwr.
2,400 shs. Ford of Canada A.

* * *

Brazilian Traction—The Investors' Chronicle, London, comments, "the common shares, now (Feb. 6) a little under 25, are expected to obtain higher levels over the next few months despite the recent rise."

* * *

Southern Canada Power—Official details regarding the refunding operations of Southern Canada Power Co. will be made shortly. It is understood that the company has sold at a premium a first mortgage bond issue carrying a lower coupon rate than the one being refunded. There will be no public offering of these bonds, as the new issue was taken up by institutional buyers.

* * *

Abitibi Power & Paper—The subsidiary Provincial Paper Ltd. improved its liquid position in 1936, but auditors point out a transfer of $225,000 from general to depreciation reserve which they appear to have considered necessary. From the Abitibi viewpoint, the matter of special interest is that no dividend was paid on the Provincial Paper common stock, which means $100,000 less income to Abitibi from this source than in 1935.

* * *

Western Grocers—The effect of leverage on earnings per share is clearly illustrated in this company's annual statement. Net profits gained 17% and preferred dividends remained unchanged. While the increase in profits on the common was the same cash sum as for both classes of stock, the percentage increase on the common was 34% because of the substantial charges on the preferred. The leverage turns a 17% increase in earnings into a 34% increase in the share for the common.

* * *

Dominion Stores Ltd. — The annual report for 1936 will be forwarded to shareholders within the next day or two, and will show very substantial improvement over 1935 when a net loss of $610,342 was reported after all charges, including depreciation. An increase of sales of over $1.5 million in 1936 enabled the company to reduce its loss. Expectations are that the report will show a loss of approximately $50,000.

* * *

Algoma Steel Corp.—Both common and preferred stocks have recently been attracting considerable attention, but sources close to the company inform The Financial Post that recent estimates of earnings by several investment houses have been entirely too optimistic. As previously reported by The Post, profits in the six months ended Oct. 31 were substantially below the corresponding period of the previous year. While business in recent months has shown improvement, it is pointed out that costs are higher due to wage increases. Furthermore, the recent rail order from the C. P. R. was secured at a narrow margin of profit. Prospects are that the company will not be able to report as favorable a showing in the year ending April 30, 1937, as it did in the previous year.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Indust. mines	Total industrials	Total utilities	Total co's.
	8	6	4	4	10	13	7	14	2	68	19	96
1929-35:*												
High	†100.0	113.4	273 4	423.5	113.5	197.8	205.4	†100.0	†100.0	317.6	166.0	232.6
Low	....	2.8	37.7	83.6	28.0	72.1	28.5	....	....	49.3	33.1	40.9
Monthly Figures, 1936:												
Jan.	118.2	18.6	80.0	231.0	75.5	153.6	151.7	127.3	387.2	187.7	52.4	112.9
Feb.	125.0	20.2	84.3	246.5	74.0	158.7	151.7	135.4	418.2	200.0	57.0	120.7
March ..	122.2	13.5	88.7	237.3	73.1	153.0	140.1	131.7	416.3	194.8	55.5	117.4
April ...	114.3	17.5	91.0	244.5	71.3	150.7	131.7	134.1	401.8	194.2	53.2	115.9
May	108.0	16.7	87.3	234.0	68.1	145.7	131.4	128.6	394.8	187.9	52.5	112.8
June	106.3	17.5	86.5	228.1	67.4	149.2	129.3	131.0	417.8	189.3	53.3	113.8
July	102.4	18.6	87.0	224.3	66.8	153.9	131.6	137.2	428.5	190.1	53.8	114.3
Aug. . ..	103.0	18.0	89.9	218.9	68.0	157.1	135.7	142.5	444.2	191.4	53.1	114.7
Sept.	113.6	20.3	93.9	220.6	70.6	162.5	133.2	149.7	488.1	200.6	54.8	119.5
Oct.	127.3	24.4	101.9	232.5	73.4	171.7	135.6	162.6	519.3	212.3	59.8	126.9
Nov.	140.4	27.5	107.0	233.4	74.4	179.6	143.6	178.3	546.2	219.9	62.4	131.8
Dec.	139.4	29.7	112.5	215.4	73 5	182.3	145.3	181.9	540.0	212.8	62.8	129.2
Weekly Figures, 1937:												
Feb. 4 ..	161.0	38.6	120.2	229.7	78.8	185.0	140.2	198.6	553.4	222.5	71.2	139.0
Feb. 11 ..	166.9	34.5	119.3	229.9	78.2	188.8	137.5	204.7	555.2	....	72.8	140.2

*High and low of years from 1929 to 1935 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.
†1926.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Feb. 16	173.56	161.03	197.73
Feb. 15	172.84	161.78	196.88
Feb. 13	173.54	162.36	197.97
Feb. 12	173.43	162.13	198.93
Feb. 11	172.87	162.02	200.81
Feb. 10	171.92	162.23	201.05
Month ago ..	168.07	160.48	198.95
Year ago ...	139.74	131.66	141.69
High, 1937 ..	173.57	168.59	202.02
Low, 1937 ...	163.39	156.48	193.84

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Feb. 16	91.4	112.0	105.2
Feb. 15	91.7	111.0	104.6
Feb. 13	92.0	111.4	104.9
Feb. 12	92.3	111.6	105.2
Feb. 11	92.1	110.3	104.2
Feb. 10	91.3	110.9	104.3
Month ago	88.4	109.6	102.5
Year ago	71.2	77.4	75.3
High, 1937	92.3	114.0	105.7
Low, 1937	86.2	107.8	101.3

Randolph Hotel Co. To Redeem $9,000 Bonds

Randolph Hotel Co., owner and operator of the Hotel La Salle at Kingston, Ontario will redeem $9,000 of its 6½% first mortgage bonds on May 1, 1937, according to a notice from the Montreal Trust Co. The particular bonds to be redeemed have been drawn by lots and comprise eight of $1,000 each and two of $500. Payment upon such bonds will cease after May 1, 1937.

Canada Foundries' Head Sees Better Returns

From Our Own Correspondent

MONTREAL.—Canada Foundries and Forgings annual meeting was a routine affair, with the officers and directors being re-elected and the financial statement for 1936 meeting with approval.

In reviewing operations of the company during the past year, W. M. Weir, president, expressed satisfaction and said he was optimistic of business for the coming year.

To Holders of

Anglo Canadian Telephone Company

7% Cumulative Preferred Stock

An offer has recently been made by the Company to Shareholders to convert the presently outstanding 7% Cumulative Preferred Shares (which Shares have been called for redemption as of May 1st), into new 5½% Cumulative Preferred Shares on the basis of one new 5½% Share plus $2.50 in cash for each one share of 7% Stock.

We are pleased to offer Shareholders the facilities of our branches to effect this conversion.

W. C. Pitfield & Company Limited

235 St. James Street
MONTREAL

80 King St. West
TORONTO

Ottawa Quebec Vancouver Saint John London, England Halifax

Price Bros. Plans Reach Final Stage

$15 Millions of Mortgage Bonds Ready to go on Market

LARGER EARNINGS

From Our Own Correspondent

MONTREAL.—Final step in the reorganization of Price Bros & Co. will take place about the beginning of next week when the underwriters, headed by Royal Securities Corp., will make a public offering of the company's new 5% first mortgage bonds.

It is understood that the long-term bonds will be sold at a small discount. There will be no bonus of common stock.

Of the total issue some $3 millions will be in the form of short-term bonds. They will carry a lower rate of interest than the balance and will mature at the rate of $500,000 a year from 1939 to 1941 and at the rate of $750,000 in 1942 and 1943. These bonds have already been taken up by the banks.

An equal amount of the long-term bonds, maturing in 1937, will be placed in the English market and the balance—$9 millions—will be sold in Canada. It is likely that the bonds offered in London will be payable in sterling.

Take Care of Redemption

With the proceeds of the first mortgage bond issue, the company will take steps to liquidate the loan secured from the banks to take care of the redemption of the old first mortgage bond issue, practically all of which was held by Pacona Ltd. which unsuccessfully endeavored to bring about a reorganization of the company.

The convertible 4% debenture issue will be taken up on March 15, at which time the rights offered to common shareholders expire. Rights were issued on the basis of $10 in debentures for each common share held at a price of $98 for each $100 of debentures. Under the plan $4,268,300 of debentures will be issued.

Strengthen Working Capital

Proceeds from this issue will be used largely for the settlement of creditor claims and working capital. As regards current bank loan, reported at just under $4 millions at the end of last September—it is understood that this will be reduced through liquidation of certain investments held by the company, principally stock holdings in Aluminium Ltd. and Aluminum Co. of America. The market value of listed securities held by the company at the end of last March was over $3.2 millions. In addition the company held unlisted securities having a market value of over $1 million.

Upon completion of the financing the company is expected to have a net working capital of between $6 and $7 millions.

Show Larger Earnings

The prospectus of the new first mortgage bond financing is expected to include an up-to-date report on earnings. During the year ended March 31, 1936, Price Bros. and Co. showed a total income of $735,248, of which $675,324 represented operating profit.

Since that report was issued the company is known to have stepped up production to the capacity point. At present all machines are in operation for the first time in the company's history. Current production is reported at the rate of better than 300,000 tons annually.

In view of the increased selling price for newsprint, particularly in the South American market, it is believed that earnings are running considerably above those reported in the 1936 fiscal year.

A Well Secured Public Utility Bond Yielding 4.28%

Great Lakes Power Company Limited
4¼% First Mortgage Sinking Fund Bonds
Due September 1st, 1956
Denominations: $1,000 and $500.
Price: 99.50 and interest, yielding 4.28%

For the year ended December 31st, 1936 preliminary reports indicate earnings higher than in 1935 when earnings were equivalent to 2.97 times first mortgage bond interest requirements, after provision for prior charges.

Descriptive circular will be forwarded upon request.

Wood, Gundy & Company Limited

Toronto
Montreal
Winnipeg
London, Eng.

36 King Street West
Toronto
TELEPHONE: ELGIN 4321

Ottawa
Hamilton
Vancouver
London, Ont.

Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

CORPORATE INVESTORS LIMITED

Founded 1931

A Mutual Investment Fund which has met the need of the Canadian investor, as proved by consistent

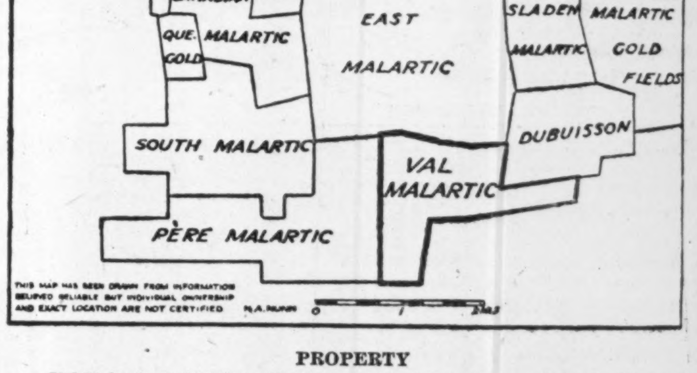
GROWTH

$42,937
(April 30, 1933)
$128,444
(April 30, 1934)
$234,219
(April 30, 1935)
$553,053
(April 30, 1936)
$1,032,312
(Dec. 31, 1936—8 months)

This table shows assets of the Company with investments included at cost. It does not indicate the substantial appreciation experienced in the market value of investments.

CORPORATE INVESTORS LIMITED

Full Information on Request
City & Dominion Co. Limited
19 Melinda St., Toronto
ADelaide 1019


VAL-MALARTIC GOLD MINES LIMITED
(No Personal Liability)
Incorporated under The Companies Act (Ontario)

OFFICERS AND DIRECTORS:

F. R. RAMSAY
Guelph, Ont.
Pres., Biltmore Hat Co.
PRESIDENT

L. SCHMERER
New York City
Member, New York and Canadian Commodity Exchanges
VICE-PRESIDENT

A. J. FENTON
Montreal, Que.
Chartered Accountant
SECRETARY-TREASURER

T. W. DUKE
New York City
Attorney-at-Law
DIRECTOR

E. A. R. NEWSON
Toronto, Ont.
Solicitor
DIRECTOR

CAPITALIZATION:

Authorized, $1.00 par value ....3,000,000 shares
Issued for property and held in escrow ....1,000,000 shares
Available to finance the company.1,999,995 shares
Underwritten and optioned ....1,900,000 shares

PROPERTY

Val-Malartic Gold Mines Limited owns a total of approximately 840 acres in Fourniere Township, Quebec, situated in the North Central part of the district. The claims are numbered 66079-82, 66090-3, 66306-66312, 67876-81. The property adjoins the southern boundary of East Malartic for a distance of one mile and a half. It is readily accessible, being about 40 miles from Amos station on the C.N.R. (which passes within five claims of Val-Malartic), via automobile highway and Malartic Lake.

GEOLOGY

In a report recently made on a group of 25 claims known as the "Baer" group, of which 15 claims, Nos. 66079-82, 66090-3, 66306-312, now form part of the Val-Malartic property, J. J. Harris, M. Sc., geologist, reports in part as follows:

"It was found that the geology more or less coincides and is considered by the writer as being a continuation of that found on the South Malartic holdings. The main body of the porphyry, as found in the latter ground, appears to continue centrally through the 'Baer' group, striking eastward and slightly southward, conforming with the general strike of formations found in the district. Evidence of shearing was noted south of this porphyry in the bedded greywacke This shear, in all likelihood, is a continuance of the south shear in the South Malartic holdings.

"With the formations here found, the geology is undoubtedly a continuation of that found on South Malartic. Since the surface data lately gathered on the latter property indicates a great possibility of the existence of an ore body, there is no reason why the 'Baer' holdings will not hold similar possibilities.

"It is recommended, therefore, that the property be thoroughly explored and geologized, and if and where shears exist, a program of trenching be accomplished. Then, if the surface values at all warrant it, a thorough diamond drilling campaign be instituted. It must be borne in mind at this point that on all adjacent proven-up properties surface values were in most cases low, while at depth much higher values were located.

"The almost total similarity of geological conditions here compared with proven-up properties and the knowledge derived from the experience of the neighboring mines, all indicate that ore might be encountered on your holdings."

J. J. HARRIS, M.Sc.

CONCLUSION

Val-Malartic's proximity to East Malartic, which is responding so favorably to development, plus engineering opinion to the effect that Val-Malartic's geology is characteristic of the area, lends distinct possibilities to the enterprise.

PRICE: 25 CENTS A SHARE

We are offering these shares as an attractive speculation.

Informational Bulletin on Request

G. D. MARTIN & COMPANY

330 Bay St., Toronto, Ont. Stock Brokers ADelaide 3356

100,000 shares having been underwritten and payment or commitment to pay having been made, the proceeds of this sale will not go into the treasury of the company whose securities are hereby sold to you.

Bond Markets

High-Grade Bonds Decline Sharply

Demand at Low Ebb as Prices Plunge Downward — Experts Disagree as to Probable Trend

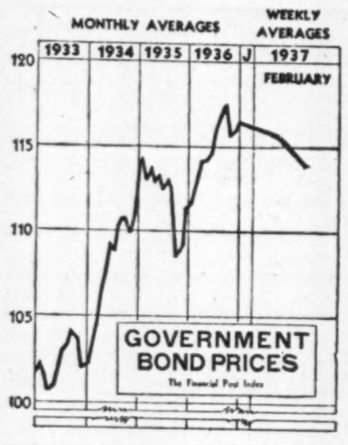
The bond market is currently in a state of demoralization, prices continuing to plunge precipitately downward. Furthermore, the decline has spread from high-grade Government bonds to corporation issues. As is to be expected the decline has been more abrupt for long term issues than for short term.

There are a number of factors contributing to the decline. First, there has been little institutional buying recently. Since yields are not high enough to attract most private investors the result has been that there has been very little demand. Buyers are scarce to say the least. Second, there is currently a glut of securities on the market, a large portion of recent issues being unsold. Third, there is considerable uncertainty as regards the future trend of interest rates.

Western provincial bonds have shared the decline with high grade issues. However, uneasiness with regard to possible interest cuts by Manitoba and Saskatchewan has been eliminated by the announcement of the Federal Government of a royal commission to study the financial basis of the B. N. A. Act. In the meantime temporary aid is to be granted to Manitoba and Saskatchewan and possibly to Alberta.

The most unpopular of high-grade bonds are Dominion of Canada 3% perpetuals. This issue is currently bid at 91, compared with its offering price in September last of 96½.

As a result of settlement of its dispute with the Ontario Government, Ottawa Valley Power 5½'s have risen five points to 103 bid, 105 asked.



Interest Rates

WHAT will the probable trend of interest rates be? Are interest rates likely to rise sharply in the near future?

These questions were put by The Financial Post to several bankers and financial men with whom it discussed the recent decline in high-grade bonds. All were unanimous in stating that it is improbable that the bond market will again reach the peak it attained in September last, but there was considerable disagreement as to the probable future trend.

Bankers are of the opinion that a gradual increase in interest rates can be expected and that the Dominion will have to pay more for funds when it refunds its $236 millions maturity which falls due Dec. 1 next. In this connection they point out that commercial loans are increasing. While these may not rise sufficiently to necessitate sale of bonds by the banks, the result will be a reduction in bank funds available for re-investment in bonds. Thus the banks, they think, will be a smaller factor in the bond market in 1937 than in 1936.

* * *

Market May React

IN CONTRAST with this was the view expressed by the economist of one of the larger investment houses.

While agreeing that the peak of the market is past, he does not think that it will continue its downward course, but rather that it can be expected to react from its present level. In this connection he points out that the volume of funds seeking investment remains large and as long as this condition continues a sharp decline in the bond market cannot be looked for.

Furthermore, the Canadian bond market will not remain out of line with the New York market for any length of time. Since the first of the year prices of Canadian and British high-grade bonds have eased off considerably, while United States high grades have remained fairly firm. If the Canadian market continue to drop, then a flow of funds from New York into Canadian bonds will result. This would tend to bolster the market here.

Then, again, a factor which is difficult to measure is the cheap money policy of the Federal Government. With Government deficits continuing high and a large volume of refunding necessary, it is not likely that the Dominion will permit any material increase in interest rates. Thus, the chartered banks will probably remain a large factor in the bond market whether they wish to or not. It is generally agreed that high-grade bonds at present yields are not attractive to private investors and that interest rates would have to rise sharply in order to attract a large volume of private funds. It is probable, therefore, that operations of the Bank of Canada will be directed toward expansion of the cash resources and security holdings of the chartered banks.

* * *

Institutional Holdings

INVESTIGATION by The Financial Post discloses that holdings of Canadian banks and insurance companies of western provincial bonds are considerably smaller than generally thought.

The chartered banks hold practically no bonds of the three Prairie Provinces, having liquidated their holdings two or three years ago.

The insurance companies being interested in long term rather than short term securities are, of course, in a different position. At the end of 1935, life insurance companies operating in the Dominion held $12.4 millions of Manitoba bonds. This compares with a total outstanding debt at that time of $111 millions. Holdings of Saskatchewan bonds totalled $11.2 millions, compared with a total debt of $183.4 millions. Holdings of Alberta bonds amounted to $11.5 millions, compared with a total Government debt of $165.6 millions. While these figures are as at Dec. 31, 1935, they will be substantially the same today since there was little change in western provincial holdings in 1936.

An interesting fact disclosed by the figures compiled by The Financial Post is that the largest holdings of bonds of these three provinces are held by American insurance companies which do business in Canada, namely the Metropolitan Life and the Prudential of America. The largest holdings among Canadian companies are held by Great West Life Assurance Co. The Sun Life Assurance Co., on the other hand, which is the largest Canadian insurance company, has only $116,000 Alberta bonds, and no Manitoba and Saskatchewan bonds.

* * *

Western Municipals

EDMONTON city council has accepted the refinancing plan proposed for the debenture debt of that city.

The refunding plan for Victoria has been approved by the finance committee of the city council.

* * *

Bond Index

THE trend of the high-grade market is indicated below:

The Financial Post Average Price and Yield of High-Grade Government Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Feb. 16	113.71	3.306	Feb. 15	113.68	3.387
Feb. 15	113.79	3.296	Feb. 14	113.68	3.387
Feb. 13	114.25	3.246	Feb. 13	113.64	3.390
Feb. 12	114.25	3.246	Feb. 12	113.34	3.417
Feb. 11	114.21	3.261	Feb. 11	113.31	3.420
Feb. 10	114.64	3.231	Feb. 10	113.26	3.424
Year's	116.81	3.026	Year's	117.91	2.966
Range	113.79	3.296	Range	111.50	3.597

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass ..	20c	Mar. 1	Feb. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Aluminium, pf. ...	$1.50	Mar. 1	Feb. 24
Anglo Can. Tel. A	1¼%	Mar. 1	Feb. 15
Bk. of Montreal ..	$2	Mar. 1	Jan. 30
Bank of Toronto	$2.50	Mar. 1	Feb. 15
Banque Can. Natle.	$2	Mar. 1	Feb. 15
Borden, com	40c	Mar. 1	Feb. 15
Belding Cort. ...	$1	Apr. 1	Mar. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Biltmore Hats, pf.	$1.75	Mar. 15	Feb. 15
B. C. Tele. 2nd pf.	$1.50	Feb. 1	Jan. 17
Can. Vinegars	30c	Mar. 1	Feb. 1
Can. Ind. Alcohol, A, B	†	....	Feb. 1
Can. W. & C. pf.*	$1.75	Mar. 20	Mar. 1
Can. Cottons	$1	Apr. 1	Mar. 19
Do., pref.	$1.50	Apr. 1	Mar. 19
Can. Indus. A, B ..	$1.50	Apr. 30	Mar. 31
Do., pref.	$1.75	Apr. 15	Mar. 31
Can. W. Nat. Gas, c.	$1	Jan. 30	......
Can. Bk. of Com. ..	$2	Mar. 1	Jan. 1
Can. Cement, pf. ..	*$1	Mar. 20	Feb. 28
Can. Pac. Rly. pf..	1%	Apr. 1	Mar. 1
Canadian Oil, pref.	$2	Apr. 1	Mar. 20
Chase A. W., pf. ..	50c	Feb. 10	Jan. 30
Can. Int. Inv. T., p.	$2.50	Mar. 1	Feb. 15
Dominion Bank ...	$2.50	Apr. 1	Mar. 20
Dome Mines	50c	Apr. 20	Mar. 31
Do., extra	$2	July 20	June 30
Dom. & Anglo Inv., pf.	$1.25	Mar. 1	Feb. 15
Do., arrears ...	$1.25	Mar. 1	Feb. 15
Falconbridge N. ..	7½c	Mar. 31	Mar. 10
Easy Washing, pf.*	35c	Mar. 1	Feb. 15
Electrolux	40c	Mar. 15	Feb. 15
Do., extra	10c	Mar. 15	Feb. 15
Ford Motor	25c	Mar. 20	Feb. 27
Hollinger Cons. ...	5c	Feb. 25	Feb. 11
Do., extra	5c	Feb. 25	Feb. 11
Inter. Nickel, c. ...	50c	Mar. 31	Mar. 1
Inter. Mining	15c	Mar. 20	Mar. 1
Inter. Utilities, pf...	$1.75	Feb. 1	Jan. 21
Do., arrears	$4	Mar. 1	Feb. 20
Do., $3.50 pref. ..	87½c	Feb. 1	Jan. 21
Do., arrears	$2	Mar. 1	Feb. 20
Laura Secord	75c	Mar. 1	Feb. 15
Lake Shore M.	$1	Mar. 15	Mar. 1
Lake of Woods ..	$1.75	Mar. 1	Mar. 15
Loblaw Groc., A, B	25c	Mar. 1	Feb. 12
Mitchell, J. S., pf.	$1.75	Apr. 1	Mar. 15
Do., com.	$2	Mar. 1	Feb. 16
McIntyre Porc.	50c	Mar. 1	Feb. 1
Model Oils	3c	Mar. 2	Feb. 6
Macassa Mines	5c	Mar. 1	Feb. 13
McColl-Front., c. ..	20c	Mar. 15	Feb. 15
Monarch Knit, pf.	$1.75	Apr. 1	Mar. 15
N. S. L. & Pr. pf.	$1.50	Mar. 1	Feb. 13
Nat. Biscuit, pf. ...	$1.75	Feb. 27	Feb. 11
Do., com.	40c	Apr. 15	Mar. 12
Nipissing Mines ...	25c	Feb. 20	Feb. 5
Ogilvie Flour pf. ..	$1.75	Mar. 1	Feb. 18
Petrol. Oil & Gas..	2c	Mar. 1	Feb. 15
Do., bonus	2c	Mar. 1	Feb. 15
Photo Engravers...	50c	Mar. 1	Feb. 15
Regent Knit pf. ..	40c	Mar. 1	Feb. 15
Royal Bank	$2	Mar. 1	Jan. 30
Rolland Paper, pf.	$1.50	Mar. 1	Feb. 15
Sec. Std. Roy pf.	1c	Mar. 1	Feb. 16
Sher.-Williams, p.	*$1.75	Apr. 1	Mar. 15
Stuart D. A., pf. ..	20c	Mar. 1	Feb. 15
Sylvanite Gold ...	5c	Mar. 31	Feb. 15
Do., extra	5c	Mar. 31	Feb. 15
Toburn Gold	2c	Feb. 23	Jan. 22
Union Gas	12½c	Mar. 15	Feb. 20
H. Walker-G.	50c	Mar. 15	Feb. 19
Do., pref.	25c	Mar. 15	Feb. 19
Wright-Hargreaves	10c	Apr. 1	Mar. 1
Do., extra	5c	Apr. 1	Mar. 1

*On arrears.

†One share Oldetyme Distillers for every five shares Candn. Industrial Alcohol.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Hyd-Elec. Pr. Ont.	3½-5%	1952	Apr. 1	100
Tor. Harbor C...	4½%	1953	Mar. 1	105
B. C. Power, A	5½%	1960	Mar. 1	104½
Do., series B ..	5%	1960	Mar. 1	104½
Can. Cons. Rub'r	‡6%	1946	Apr. 1	110
Can. Paper, A ..	6%	1945	June 4	103½
Regent Knit	6½%	1942	Mar. 1	105
Toronto Carpet	6%	1944	Mar. 1	103
Atlan. Utilities, A	5%	1963	Mar. 1	105
Viceroy Mfg. ..	6½%	1950	Mar. 1	104
Avon River Pr. D.	5%	1964	July 1	103
Randolph Hotel	*6½%	1947	May 1	105
Northern Tele. .	6%	1948	Mar. 1	102½
McColl-Fron. A	†6%	1949	Apr. 1	104
South. Canada Power A	5%	1955	Apr. 1	102½
Woods Mfg., A .	6%	1943	Apr. 1	102
Connors Bros. ..	6½%	1938	May 1	105
Can. Steamships	5%	1943	Aug. 15	105
Chester L. & Pr.	6%	20-yr.	Mar. 1	...
N.S. L. & Pr. (A)	5½%	1958	Mar. 16	104½
Do., (B)	5%	1965	Mar. 16	103
McColl-Fron. ..	▲6%	1949	Apr. 1	104

For sinking fund: *$9,000. †$117,000. ▲$117,000. ‡Private sale between Feb. 1, and Apr. 1, 1937, in Canadian funds.

Stock Issues:				
Toronto Elevators	7%	Pref.	Mar. 8	110
Anglo-Can. Tele.	7%	Pref.	May 1	65

VICE-PRESIDENTS

C. S. Hamilton, general manager, The Trusts and Guarantee Co., Ltd., eastern branches, who has been named a vice-president of the company (left). H. A. Howard, Calgary, general manager of the company's western branches (right), has also been named a vice-president. Both officials have been associated with The Trusts and Guarantee for more than 30 years.

Alberta Civil Servants Are Seeking Safer Jobs

From Our Own Correspondent

EDMONTON.—Latest recruit in the parade of departing executive officials in the public service of Alberta is R. J. Dinning, liquor commissioner. Frequent changes in the civil service have marked the 1½ years of Social Credit rule, but most striking has been the number of resignations, both forced and voluntary, among senior officials.

Official figures are not available, but a return to the legislative assembly a year ago showed that in the first five months of the Aberhart administration, a total of 90 public servants was fired or resigned. Since then the rate has accelerated, bringing protests from organizations such as the Civil Service Association and the Alberta Federation of Labor.

More to Follow

Some 30 or 40 positions of the highest responsibility have been vacated under the Aberhart Government, and more resignations in the near future are anticipated. The exodus has extended even to the provincial university, where an unusually large number of staff resignations have been received. Among legal officers, five resignations have been forced by the Government among magistrates and justices of the peace.

The list of senior officials retiring since Social Credit came to power includes the following:

Ministers: C. C. Ross, minister of lands and mines, resignation requested by Premier Aberhart; Charles Cockroft, provincial treasurer, resigned voluntarily.

Senior officials: R. J. Dinning, liquor commissioner, voluntary; J. F. Percival, deputy treasurer, voluntary; W. Anderson, deputy minister of trade and industry, forced; Dr. R. C. Wallace, president of University of Alberta, voluntary; James C. Thompson, provincial auditor, voluntary; Henry Brace, superintendent of insurance, forced; Stanley Clark, game commissioner, forced; E. M. Gunderson, superintendent of income tax, voluntary; N. J. Tall, Alberta trade commissioner for eastern Canada, forced; Walter Smitten, commissioner of labor, forced; W. Carnill, superintendent of employment offices, forced; C. G. Groff, publicity commissioner, forced; F. Smailes, civil service commissioner, forced; W. Calder, director of petroleum branch, voluntary; W. D. McLean, king's printer, forced; A. Ross, chairman of workmen's compensation board, forced; E. J. Fream, public utility commissioner, forced.

Municipal Finances

Verdun, Que., reports a surplus of $25,000 for 1936, compared with a deficit of $9,400 in 1935. The city's assessment was reduced by $1.5 million in 1936. At the end of the year the funded debt of the city stood at $7,740,000, a reduction of $200,000 from the previous year.

* * *

Edmonton, Alta., had a deficit of $621,305 on 1936 operations, compared with $588,064 in 1935. The deficit is exclusive of $250,000 withheld from sinking fund under a plan approved by council as a temporary financial relief and $151,919 for which no provision was made in the budget under the short-term loan consolidation plan. The bank overdraft at the end of 1936 on current account was $1.7 million.

* * *

Regina, Sask., 1936 deficit is unofficially reported at $15,000. Expectations are that the 1937 tax rate will be the same as in 1936, the city council being opposed to an increase.

* * *

Calgary, Alta., reports that revenue of its electric light department increased $54,095 in 1936 to $1,309,510. The utility has got away to a good start in 1937, January revenue being $6,856 higher than in the corresponding month of 1936.

The city's relief department reports that 3,100 families, comprising 12,314 persons were on relief at the end of January, an increase of 103 families and 274 persons over Jan., 1936.

* * *

St. Henri-de-Taillon Parish, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons of April 1, 1932.

* * *

Parry Sound, Ont., reports that revenue exceeded expenditures in 1936 by $8,958, receipts totalling $90,839 and expenditures $81,881. At the end of the year the town had a bank balance of $5,484, compared with a bank overdraft of $3,474 at Dec. 31, 1935.

* * *

London, Ont., reports that up to Jan. 31, 1937, tax collections on the 1936 levy totalled $2,957,916, equivalent to 83.1% of the total tax bill of $3,560,561. This is an improvement of nearly 2% over the corresponding period of the previous year. Of the 1935 levy 92.3% has been collected to date.

* * *

Winnipeg, Man., convinced that an announcement will be made shortly of a federal plan to assist provincial and municipal governments in financing unemployment relief works, has drawn up an ambitious plan of repairs and construction involving expenditure of nearly $6 millions.

* * *

Forest Hill, Ont., wealthy Toronto suburb, is reported to be seeking incorporation as a city. Since the village has a population of only 10,000, special legislation will be necessary to give it the status of a city. Loss of income tax levy and a feeling that Forest Hill is paying too much to York County is reported to be responsible for the move. In 1936 the village paid $125,000 as its share of the county levy. The village's move is being opposed by the county and metropolitan townships such as York and East York which feel that secession of the village would mean a higher county rate.

* * *

Fort Frances, Ont., financial affairs have shown remarkable improvement in the past three years. At the end of 1933 bank loans for current purposes stood at $193,000 with tax arrears of $200,631. At the end of 1936 bank loans had been reduced to $100,000 and tax arrears to $121,800. The first tax sale in years was held in 1936 and tax rolls were cleared of practically all uncollectible taxes.

Net debenture debt stands at $574,900 as against $841,411 at the end of 1929.

* * *

Drumheller, Alta., reports a surplus of $1,353 on its 1936 operations. Debenture debt at the end of the year totalled $90,167, compared with $102,664 in the previous year.

* * *

Tecumseh, Ont., has paid off all of its bank indebtedness, which in 1932 amounted to $110,000. This is the first time since the town's incorporation that it has had no bank loans. Payment of bank loans has only been possible through non-service of its debenture debt.

* * *

Frontenac County, Ont., reports a deficit of $37,550 for 1936, compared with $38,036 in 1935. The tax rate for 1937 is the same as in 1936, namely 17 mills.

* * *

Camrose, Alta., reports a surplus of $11,196 on its 1936 operations. At the end of the year the town enjoyed a strong current position. Debenture debt amounted to $113,976.

* * *

Kings County, N. B., with no bank loans, no overdraft, no bonded indebtedness and a bank balance of $19,276 at Dec. 31, 1936, enjoys a rather enviable financial position. Revenue in 1936 totalled $86,309 and expenditures $75,714.

* * *

Charlottetown, P. E. I., reduced its deficit in 1936, expenditures exceeding revenue by $21,886 compared with $47,833 in 1935. Receipts in 1936 totalled $248,258 while expenditures totalled $270,144.

* * *

Moose Jaw, Sask., share of relief costs in 1936 was $97,838, compared with $143,096 in 1935. While the decrease is largely due to the fact that the city is only paying 20% of relief as against 33 1-3% in 1935, total costs at $470,009 were $3,349 lower. The number of persons on relief at the end of 1936 was 3,937, compared with 3,838 in 1935.

Recommend Drilling For Gull-Kirkland

Further drilling of 5,000 ft. is recommended for the property of Gull Kirkland, in the east Kirkland Lake district by Mining Research Corp.

We Recommend
Montreal Catholic School Commission
3½%
non-callable
Sinking Fund Bonds
(Renewal Issue)
10 year Bonds due 15th February, 1947.
Price: 99.25
To yield 3.59%
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Price: 98.25
To yield 3.68%
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OTTAWA TORONTO

Edmonton Adopts Refinancing Plan

Must Be Submitted to Public Utility Board

From Our Own Correspondent

EDMONTON.—The revised refinancing plan for the city of Edmonton's debenture debt has been accepted by the city council.

Main changes in the plan proposed by representatives of bondholders centres on the callable feature. The new bonds are to be callable at any time, provision being made for preference in redemption to present high interest bonds. Originally it was proposed that the bonds should be redeemed only through operation of the sinking fund. The provision for a 10-year supervision of the city's budget by the Alberta public utility board has also been deleted. Permission is given to use a portion of sinking fund proceeds for capital purposes.

City officials report that Edmonton will have a balanced budget in 1937, estimates being made on the basis of the refinancing plan.

It is probable that the plan will now be submitted to the public utility board for its consideration, following which bondholders' approval will be sought. Since the plan was proposed by representatives of bondholders it is not expected that any difficulty will be encountered

Investment Booklet

Wood, Gundy & Co., Toronto investment firm, has issued an interesting booklet on Canadian government bonds entitled "Dominion of Canada and Canadian Provinces Funded Debts Outstanding". All the outstanding bond issues, both direct and guaranteed, of the Dominion and of the provinces, are given with details as to date of issue, maturity, places of payment, callable features and amounts outstanding.

JAMES J. WARREN,
Re-elected President of The Trusts and Guarantee Company, Limited, at their annual meeting Feb. 16, 1937.

Bulolo Gold Dredging Returns Above 1936 Mark

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports January production of 11,797 ounces of fine gold, compared with 12,027 ounces in December and 9,094 ounces in Jan., 1936.

Estimated working profits in January totalled 8,604 ounces equivalent to $301,140 in Canadian funds, taking gold at $35 an ounce. In December the working profit amounted to $301,805 and in Jan., 1936, to $224,140.

During the month 899,000 cubic yards of gravel were dredged, as against 785,000 cubic yards in the previous month and 899,000 cubic yards in the corresponding month a year ago.

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Price includes all standard equipment and safety glass. Freight, local taxes and license extra. $844 **plus Federal Taxes $50, total $894 for the business coupé, retail at factory, Tilbury, Ontario.**

Illustrated is the Super Terraplane Touring Sedan, 117-inch wheelbase, $1187, including all standard equipment and safety glass, retail at Tilbury Ontario. Freight, local taxes and license extra.

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Growing With Hudson—Hudson's advancement in Canada is reflected in Hudson's ever-growing retail sales organization. From the industry's low point in 1933 Hudson has almost trebled its retail distributor outlets and has built a soundly financed dealer organization numbering in excess of 400 retail sales and service points.

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TORONTO, FEBRUARY 20, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Makers of Headlines

McRUER CASTIGATES TEXTILE COMPANIES.
FINDS PROFIT IN 7 YEARS EXCEEDS CASH INVESTED.
MADE PROFIT $10,485,152 IN TEN YEARS.
CITES PROFITS IN WOOLLENS.
STATES WOOLLEN COMPANY PROFIT 37 PER CENT.

SO RUN the headlines on news despatches from Ottawa concerning the almost interminable brief presented to the textile enquiry by the Government counsel J. C. McRuer, K.C.

Always the emphasis is upon profit. Always the effect is to build up the idea that to earn a profit is sinful. Always there is an earnest attempt to compare original cash investments and subsequent returns earned on that investment. Mr. McRuer at the moment is not a lawyer but a manufacturer—a manufacturer of headlines.

We have nothing against Mr. McRuer, who is a decent, competent, quiet Toronto lawyer. He made an excellent Sunday School superintendent and would be an excellent schoolteacher or professor. But we sometimes wonder what it is that turns men of such reserved temperament into headline-seeking corporation baiters, that gives them the instincts of a remorseless prosecuting attorney when they are asked to undertake a job of investigation for the Government. Where, for example, did Norman Sommerville, K.C., counsel for the Price Spreads enquiry get that acute sense of news values that enabled him to produce a new headline for every successive edition of every metropolitan paper; and to produce it just at the exact moment when the reporters had to write a new "lead" for the routine "running copy" they had been filing?

We can not help wondering too what kind of headlines would be produced if the tables were turned and the lawyers themselves were investigated. Take Mr. McRuer himself. We do not suggest that there is anything unpleasant in his professional life or anything sinister in his past. But Mr. McRuer is being paid a goodly daily sum for his attendance upon the textile enquiry. The amount would make a good headline in itself. We do not know what it is although it is probably around $150 a day as government counsel in the other Turgeon Commission is being paid $200 a day plus $20 a day expenses. It would be interesting to know what was the original investment in his business. How much money did he have in his pockets when he started in the law business? What percentage per annum is $150 per day applied to that sum? Is it as much as "37 per cent profit"? A Royal Commission would probably send in its auditors to find out how much per year Mr. McRuer made when he was just a lawyer and before there was a government of his particular political stripe in power in Ontario and another at Ottawa. They would want to compare this with what he makes today.

Again let us emphasize we are not suggesting that Mr. McRuer does not deserve to make good in his profession. Nor are we suggesting that the legal profession as a whole is grabbing off more than its fair share of the social income. As a matter of fact, the average income of Canadian lawyers is so pitifully low that it might almost be made the subject of a special social service report. But we are suggesting that it is a curious thing that the lawyers get so much enjoyment out of suggesting that individuals and companies in other lines of business are downright exploiters and that certain types of industry are entirely lacking in a social sense.

Mr. McRuer does not mind picking on individual companies for "castigation." He should not object to our choosing him as the individual on whom we hang a few words of speculative editorial comment. He just happens to be the lawyer in the public eye at the moment. We could have used any one of a number of Conservative lawyers who have had good government retainers, to make the same points.

Undoing a Bad Day's Work

ONTARIO Government authorities have undone part of the wrong in the repudiations of power contracts with Quebec companies. Ottawa Valley Power Co. now has arranged a new contract possibly at no greater monetary sacrifice than if the province had attempted from the first to work out fair adjustments of the contracts. Gatineau Power Co. has a substantial contract and is also suffering a loss of revenue. Maclaren-Quebec Power Co. has received a contract giving it barely enough revenue to meet bond interest.

The foolhardy repudiations were wrong "ab initio," to use the Latin of the Ontario attorney-general, and the agreements already made are insufficient to restore faith in the Government's covenants. Amicable settlement of the power contracts should have been arranged in the first place without pushing the good name of the province into the gutter of ward politics. It might require some political courage, but surely it cannot be beyond the moral character of many members of the Government, to rearrange the contracts with Maclaren-Quebec Power Co. and Beauharnois Light, Heat & Power Co. on a more businesslike basis.

More power will be needed if economic recovery continues, and the Maclaren and Beauharnois firms are in a position to supply it economically. Even if the men who are governing Ontario lack the moral scruples to realize the wrong that has been done, they should have learned by now that adequate electric power supplies for the future must be assured, not verbally in some windy "brief" prepared by the attorney-general, but by equitable power contracts.

Let Users Pay For Transportation

CANADA is a problem in transportation. Prof. W. W. Swanson admits as much in his new volume, "Road, Rail and River." The logical conclusion, he argues, is that it is a major national obligation to keep our transportation charges as low as possible.

To keep transportation charges low we have granted and continue to grant public assistance in many forms to different types of transportation. Prof. Swanson estimates that the amount the public taxing authorities of Canada have to raise each year to meet the public subsidies provided for transportation is well over $200 millions. He considers that it is a dangerous principle to charge transportation costs to the taxpayer. It is far safer, he claims, to regard transportation as being properly paid for by those who use it.

Prof. Swanson thinks it is now a little late to apply this principle in full to our railway systems. It would be unfair to charge shippers rates high enough to place the Canadian National Railways on a profitable basis. The whole freight rate structure ought not to be changed just because we have made expensive errors in our railway policy in the past.

Nevertheless, Prof. Swanson's general principle is sound. It can be applied to the canal system and to the highways system now coming into being. And in the case of the railways it would be possible, by more economical operation and the elimination of non-essential competition, to make our railways pay a fair return on that portion of their capital that is not to be regarded as money already wasted and misinvested beyond recovery.

The Sun Shines Again

OF ALL the business executives who reported at their annual meetings this year it is doubtful if any had greater reason for pride in a good job well done than Arthur B. Wood, president and managing director of the Sun Life of Canada.

When Mr. Wood succeeded to the direction of Sun Life affairs the world was rapped in a dark mantle of depression. Canada itself was burdened as few countries were. Any institution as large in size as this great co-operative enterprise, with almost a million policyholders in many countries, was certain to be affected directly and forcefully. The very conditions that made policyholders fall back upon its resources in their time of need served also to reduce the market value and liquidability of those resources. Just as the prosperity of the company, with the huge common stock investments purchased in the Macaulay régime, seemed to grow dangerously fast in the boom years of the '20's, the years of the locusts were more critical and wearying for this largest of our life companies than they were for the average company. But today all that is in the past. The company has come through the depression basically stronger than ever, rich in experience and sober and sound in executive direction.

When Mr. Wood announced that the Sun Life's investments were carried in the books at less than market values, when he announced new transfers to reserves, when he announced higher policyholder's dividends and resumption of dividends to shareholders, he was in reality announcing that the depression was over for Canada: he was heralding, too, the final victory of life insurance in Canada over the economic difficulties of these last few years.

To Mr. Wood, a forceful, determined, far-sighted executive, must be handed the palm of public gratitude for bringing the Sun Life through the world's valley of despair and its own most critical years. Only those who were in intimate contact with the company's problems from month to month throughout the depression will ever be able to realize how prodigious was that achievement, how magnificent its success.

Working to Common Objective

IT IS a healthy sign that both United States publishers and Canadian newsprint manufacturers have found something they can agree upon. It is that they should get together to avoid a repetition of past bitterness; either the bitterness of the publishers when the newsprint mills forced prices up to unreasonable levels in order to put earnings back of inflated stock market values, or the bitterness of the manufacturers when the continent was flooded with surplus tonnage and the newspaper publishers forced the price of newsprint below economic levels.

This week, Editor and Publisher, spokesman for the American publishers, said:

> "There is no health for newspapers in a bankrupt paper industry; there is no business for newsprint mills when high paper prices destroy journalistic opportunities in the United States."

Right now the Canadian newsprint industry is running into a very healthy operating condition that should lead to a much improved profits position. The aim of the industry's leaders should be and is to consolidate these gains when won.

Taxing Collectors' Items

IN MOST enlightened countries museum pieces, artistic rarities, works of art, generally, are allowed entry duty free. Not so in Canada. If they are brought in for a public museum no duty is charged, but if a private collector or artist brings them in high penalties are exacted. Yet most fine works of art and antiquities eventually find their way to public collections.

The Canadian custom department regards Stradivarius and Rembrandt and Michelangelo as being in competition with Canadian violin makers, painters and sculptors.

Canada is altogether too strict in charging duties upon rarities which we should be delighted to have in this country on any terms. Such stupidity and shortsightedness ought to be written out of the customs law.

It would probably be unwise to put too fine a point upon the fact that, while rare old violins of exquisite tone are highly taxed when they come into Canada, bagpipes enter duty free. There are some musicians, at least, who feel that the violin is not second to the bagpipe as an instrument for creating beauty and inducing charm.

Editorials in Brief

Review of Reviews describes Mackenzie King as "an avowed friend of Uncle Sam." No doubt the Prime Minister is a friend of Uncle Sam for he wants Canada to be the friend of all nations. All anyone can reasonably ask of him is that he be not friendly to other nations at the expense of Canada's interests. For example, it is not right that Mr. King's policies should favor United States magazines and penalize Canadian magazines.

• • •

Vancouver city council has been asking the B. C. Electric Railway Co. to allow a one-hour transfer privilege on the street railway to accommodate visitors to the new uptown city hall. The council might just as reasonably suggest that the street railway grant downtown workers a 10-hour transfer privilege and allow them to go to work and home again on the same ticket.

• • •

Proposals for development of hydro-electric power and a paper mill in northwestern Saskatchewan, if carried through, would be an important step toward diversification of the province's economic functions. The opening of the required C. N. R. route into the northern waterways might eventually lead to more active mining development as well. Since private capital appears willing to take the risks, the enterprise deserves encouragement from the Government and the railway.

• • •

The other day the Senate met for a few moments and adjourned until the next day. It may have seemed to any casual observer on the scene that the Senators had knocked off for the day. But this was not the case. Senator Raoul Dandurand, Government leader, explained why they ended their discussions so quickly:

> "I would remind its members that the Railway Committee will sit immediately after conclusion of this sitting. I do so to allay the fears of those who, being much concerned with the work of the Senate, may think our sittings are rather short. They may not know that we adjourn in order to attend to very important proceedings of our standing committees."

The committee work of the Senate is done most thoroughly and conscientiously. Here the mature judgment of experienced men is brought to bear upon a multitude of practical problems of government. The Senate gives little time to oratory, Perhaps one reason is that, being certain of their appointments for life, the Senators do not feel under the necessity of talking to be heard by their constituents back home, a political duty which no member of the House of Commons can wisely and safely refrain from performing, whether he enjoys it or not.

Sayings of the Week

"Let's have peace and make automobiles."—*William Knudsen.*

• • •

"The real dangers to peace today are the pacifists."—*Bishop of London.*

• • •

"We admit that as we go on new difficulties arise in our path."—*Premier Aberhart.*

• • •

"Proper timing is perhaps the most important of all stock investment 'musts'."—*Roger Babson.*

• • •

"Only the spirit of fear among statesmen and peoples stand in the way of recovery." — *Sir George Paish.*

• • •

"The term communism often serves today the purpose of defense against reasonable social progress."—*Dr. H. L. Stewart.*

• • •

"War threatened Europe while Germany was weak. Now that the Reich is strong there no longer can be a question of war." — *Dr. Paul Goebbels.*

• • •

"Europe is thoroughly scared. They are frightened of war and their prayers for peace are drowned by the ring of anvils."—*Rt. Hon. David Lloyd George.*

• • •

"If by democracy you mean government for and in the interests of the people, then our system and ours alone is truly democratic."—*Premier Mussolini.*

• • •

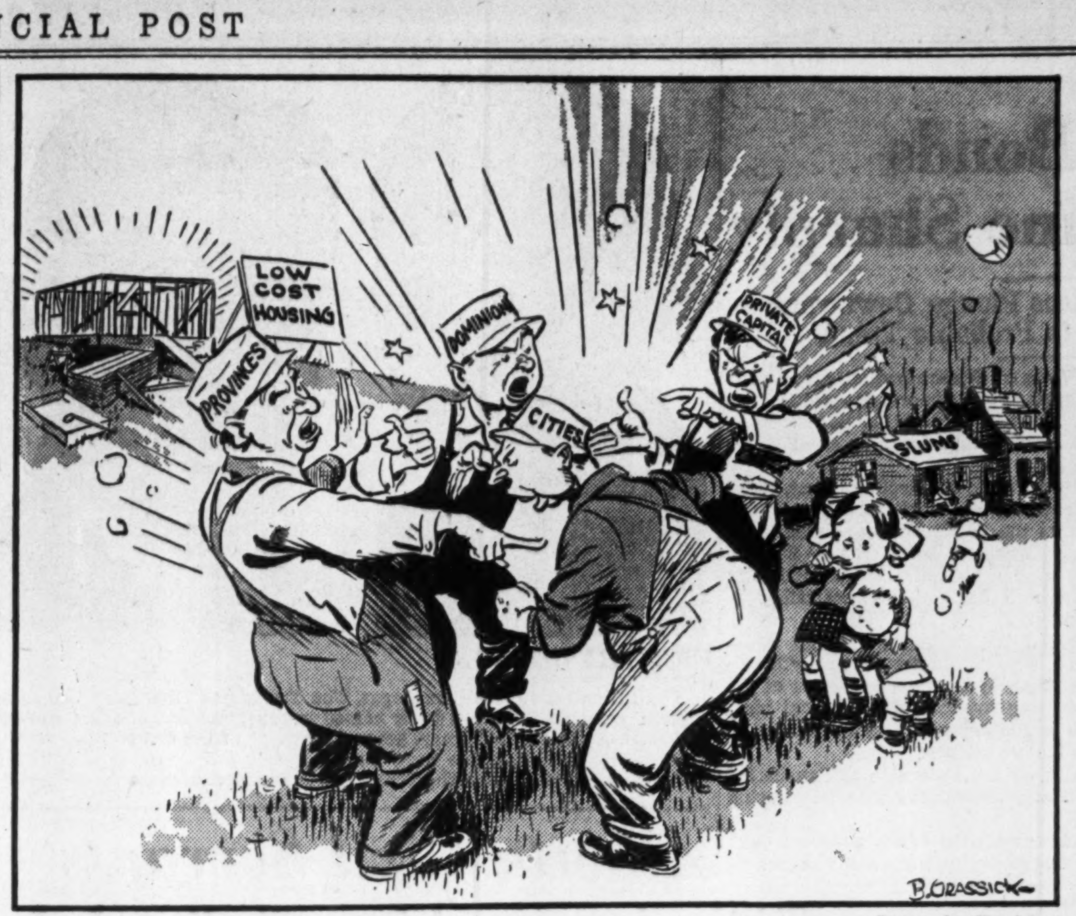
"We are fairly certain to have a repetition of 1929 unless we take rather positive action to prevent it."—*Henry Wallace, U. S. Secretary of Agriculture.*

• • •

"If some power sent an expeditionary force against this country it would not suffice for Mr. Woodsworth to stand on the wharf at Halifax or Vancouver and wave his resolution." — *Hon. Fernand Rinfret.*

• • •

"Is there any other way by which people can get clear of the horror of war than by recognizing that in a world which God has made integrate and correlated you cannot live unto yourself and still have peace?"—*R. J. Deachman, M.P.*



—Cartoon by Grassick.

WHAT'S EVERYBODY'S BUSINESS IS NOBODY'S BUSINESS

Post-Scripts

How Great a Barrier

EVIDENTALLY written for English and not Canadian consumption was a recent piece of studio publicity about "The Great Barrier," epic film of the story of the C.P.R. The publicity report reads:

"The dress department in the Gaumont British Studios, which usually has to be six months ahead of fashion, suffered something of a shock when it was discovered that in some places fashion has stood still for over half a century.

"This occurred when they were searching for the correct clothes to be worn in 'The Great Barrier.'

"After trying in England, they were amazed to discover that the Mackinaws, (heavyweight short woollen coats) caps, gloves and boots advertised in the catalogues of one of Toronto's leading stores were similar to those worn in the 55-year-old pictures taken during building of the railway.

"A cable for hundreds of outfits of average sizes was immediately dispatched. When they arrived the wardrobe was horrified to discover that the Canadian interpretation of the average size is six foot two inches. There followed a hectic call to the casting department, please do not engage any extras under six foot two!"

Apparently it was a case of making the punishment fit the crime.

Velvet Gloves - -

A passage-at-arms in the House of Commons, February 9, 1936.

Mr. Bennett—I think this would be an appropriate moment to ask the leader of the Government if he is in a position to indicate what will be the general matters that will engage the attention of the Imperial conference at its approaching meeting and what we might expect will be the attitude of the administration toward the problems that will have to be considered. As nearly as I can remember, this is the form in which the right hon. gentleman usually put the question in the five years from 1930 to 1935. If I have not put it as succinctly or as delightfully as he did, he will have to take it as having been put in that sense.

Mr. Mackenzie King—I shall try to follow my right hon. friend by giving the reply which, as I recall, he made to me. At that time he was in possession of the agenda of the conference and was perhaps able to give more detailed information. The agenda of the forthcoming Imperial conference has not yet been prepared. This is a matter of consultation at the moment between the British Government and the governments of the different dominions. As soon as the agenda has been definitely pepared, it will be made known simultaneously to the parliaments of the different countries.

Mr. Bennett—I am glad the right hon. gentleman has adopted the answer which the one then occupying his position gave, because it adds lustre and distinction to the answers thus given.

As Others See Us . . . .

Relief Toll is Heavy

St. Catharines Standard

The Financial Post carries this week a story of how rackets boost the relief bill of Canada. There is no doubt in the world that the honest hard-working taxpayer is paying through the nose for the indigent, the idle and members of families disposed to accept relief rather than exercise strength and power to take care of themselves. The depression with all the recovery and impending prosperity has left a curse on this country and our neighbors to the south. Public support has replaced a great measure of private philanthropy. Why should men work and sweat blood when the relief allowances are so attractive?

Competition For Ears

Nation's Business, Washington

WANTED: A banker who is a good demagogue. Apply to the editor of the Toronto Financial Post.

But, as our esteemed Canadian colleague says, if bankers were good demagogues, they would be poor bankers.

The editor of The Financial Post was thinking of the presidential address of S. H. Logan, head of the Canadian Bankers' Association, when he wondered whether its appeal to businessmen would be matched by its interest to the "average farmer, the average worker," and he feared that "few of them will even attempt to read it and still fewer will complete the reading if they start it."

The indicated problem is not unknown in our own fair and native land. Everywhere the business community has an increasing concern about public relations. Monetary medicine men and critics of banking practice not only know how to get the ear of the man on the street, but **more to their point, they know how** to talk to him in his own language. Whether their technique is art or gift, the business community faces the persistent necessity for telling its own story so simply that no interpreter is required between spokesman and people.

The difficulty lies in suiting eloquence to the need. It is a sizable problem. Its very existence should serve as patriotic incentive for solution. As long as the public understands the rabble-rousers—or thinks it does—every practitioner of business will derive only cold comfort from the feeling that he does not talk on their wave lengths. Contriving self-compliment will not do the job; nor complaining. Competition for the ears, the minds, the hearts of the people would be more businesslike and effective.

New Books

Transportation

RAIL, ROAD AND RIVER: By W. W. Swanson. Published by the Macmillan Co. of Canada, Toronto. Price $1.50.

This is a new study of Canadian transportation problems by the head of the department of economics of University of Saskatchewan. Readers of The Financial Post have obtained an impression of Prof. Swanson's approach to the problem from reading four articles, based upon "Road, Rail and River," that have appeared in these columns in recent weeks. The book is compact, but informing and provocative. It is critical of governmental railway operation and suggests that no one has yet offered an alternative to Sir Edward Beatty's unification plan. The automobile industry will find Prof. Swanson's calculations of highway costs very disturbing and will no doubt decline to accept his plea for higher taxes on commercial highway transportation without vigorous challenge.

There is enough "fighting language" in these 121 pages to stir a dozen major controversies.

Transportation Textbook

EVOLUTION AND ECONOMICS OF TRANSPORTATION. By Albert G. Steinberg and Joseph W. Hopkins. Published by Sir Isaac Pitman and Sons (Canada). Toronto. Price $1.25.

This volume was prepared as a textbook for use in high schools of commerce. The authors are on the staff of the Ottawa High School of Commerce.

It traces the story of transportation from the ancient world to the present day and concludes with a notably independent and informative study of Canada's transportation problems today.

Written with measured simplicity, as every textbook should be, it is nevertheless a volume that sacrifices none of the essentials for a study of modern transportation. Undoubtedly those young men and women who study its pages in their school courses will know a good deal more about the basic problems of transportation and Canadian railway finance when they are finished than nine out of ten "well-informed" Canadian businessmen.

For the tendency of modern education to gear itself to the practical needs of modern citizenship there must be complete widespread approval. Volumes such as this one and others in the Pitman Company's Canadian Commercial Series are effective aides in the work.

Trotsky on List

Doubleday Doran's spring list includes a number of non-fiction titles of wide interest. Many of them emphasize current United States social and economic problems. Morris L. Ernest, in "The Ultimate Power," digs for the roots of the United States constitution. Frederick Palmer, famous war correspondent, writes of American participation in the war under the heading of "Our Gallant Madness." Albert Deutsch has written an authoritative study of "The Mentally Ill in America."

Intriguing travel titles are "Mexico in Your Pocket," by Jean Austin, "In Old Natchez," by Catherine van Court, "Rolling Down to Rio," by Ambassador Hugh Gibson and "Travel Without Being Rich," by William M. Strong.

Leon Trotsky's "The Revolution Betrayed" is translated by Max Eastman and Eve Curie's "Madame Curie" has been translated by Vincent Sheean.

There is a new illustrated addition of Sheean's "Personal History" and a new book on "Safe Driving," in which scientific studies have been put into everyday advice.

Businessmen, who have to give occasional talks, will probably find Frank Home Patrick's "How to Speak in Public" valuable.

Not all of the titles are ready at the moment.

New Life of Grey

Prof. G. M. Trevelyan's long-awaited biography of Earl Grey of Fallodon features the non-fiction list of Longmans, Green and Co. for spring 1937. Due early in March, the volume will sell at $5.

Another important biographical title is "Leon Blum; from Poet to Premier," by Richard L. Stokes.

D. C. Masters has written a historical study of the "The Reciprocity Treaty of 1854"; H. R. Ekins describes his recent globe-encircling tour under the title of "Around the World in 18 Days and How to Do It." There is a book on "Mining," by W. H. Witcombe and an interpretation of "The American Civil War," by Carl Russell Fish.

Sir E. D. Simon edits a study of "Moscow in the Making" and Odette Keun studies a great social experiment under the title "A Foreigner Looks at the TVA."

Of lively current interest on the Longmans, Green list is Prof. A. Berridedale Keith's latest work "The King and the Imperial Crown."

What Leaders Say

Taxes Hold Up Building

By ARCHIBALD McPHERSON,

President, Ontario Loan and Debenture Co., London, addressing annual meeting.

The one industry which has not reacted with improvement to any appreciable extent is the building trade; very little building has been carried on except that which was directly due to Government spending or Government assistance. Probably the most serious obstacle in the way of building is the high municipal taxation which property owners have to face.

If those in authority are sincere in their desire to establish recovery in building and so reduce unemployment, then they should see to it that real estate is relieved of the present taxation which is necessary to cover expenditures for relief, old-age pensions, etc. The amounts required for these purposes should be raised from other sources.

Interest Rates and Life Insurance

By M. D. GRANT

Managing director Sovereign Life Assurance Co. in presenting directors' report for 1936.

The part played in life insurance by interest is of first-class importance, as the premiums under all existing contracts are based upon the assumption that a minimum net rate of interest will be earned. Any failure to earn such minimum rate would involve extensive adjustments of dividends, premiums, or policy benefits—or of all three. Interest returns, of course, are subject to considerable fluctuations from natural causes, but these alone have never created major embarrassments in life insurance.

It is when debt-evasion and repudiation of obligations are added that reductions of interest earnings, and loss of principal as well, constitute a real threat to the savings of the average individual, and particularly to the savings of the very numerous class who seek to provide for themselves and families through life insurance, or by means of deposits in banks and trust companies, or by investment in trust certificates, first mortgage bonds or other forms of security.

From every point of view, the observance of obligations according to actual ability is of paramount importance to all sections of our people, as well as to the future of Canada as a whole.

Other People's Views . . . .

Insurance The Remedy

The Labor Leader, Toronto

Unfortunately there is much more truth than poetry in this story of relief rackets. **Again may we repeat what we have often said before, that** a sound and adequate system of contributory unemployment insurance, is the only answer to the problem.

Alberta's Leftist Leader

Calgary Albertan

Due to the strange type of warfare which has been waged against the present Alberta Government, Hon. Mr. Maynard was labelled some months ago as leader of a Left Wing within the Government party.

The existence of a "Left Wing" in the Government group was one of the more classical brain storms of the people who invent stories about the administration.

• • •

Edmonton Journal

Between two and three weeks ago Mr. Maynard issued a statement in which he denied emphatically that he was the leader or even a member of "any left or any radical section of the Social Credit party." But there has been plenty of evidence that, generally speaking, his ideas are of a radical character and his new status will no doubt place him in a better position to secure their adoption.

In the Mail

(Not over 200 words, please)

Railway Wage Rates

In the current issue of your publication you devote considerable space to the strike vote and its effects that is now being taken by the standard railroad labor organizations in their efforts to terminate the existing 10% wage deduction agreement. You publish stories from important railway terminals which purport to represent the views of men involved in the dispute. It should be noted that in no case have you quoted a responsible representative of any of the 17 organizations involved in the dispute.

In your editorial you leave the impression that should a strike take place it would receive little sympathy, "particularly among the farming population there is a very strong feeling that railway wages are out of line with the average incomes of Canadian people."

To keep the record straight let us quote from the submission made by the standard railroad labor organizations before the MacLean Board of Conciliation at Montreal in December last:

"A study of the average monthly earnings received by Canadian railway workers will immediately explode the fallacy of high railway wages in Canada. . . .

"When it is found that only 2% of those engaged in actual railway operation, including the officials, earn in excess of $250 per month, and that more than one-half of the railway employees earn less than $110 per month and that 38.3% earn less than $85 per ment and that 11.7% earn less than $75 per month and that 6.1% earn less than $60 per month, it will be readily observed that the impression held by many with respect to high railway wages is the result of vivid imagination based upon inaccurate rumors, rather than upon reliable and official statistical facts."

Railway labor believes that the major contributing fact to their low wage rates is the increase in interest rates.

In 1920, out of every dollar of total operating revenue, 12 cents was required to pay interest on funded and unfunded debt, but in 1935 it required 39.1 cents out of every dollar.

In 1920 the funded debt of Canadian railways stood at $846,324,166 and progressively increased until at the end of 1935 it was a little better than three billion dollars, an increase of 257.6%.

Ottawa. J. A. P. HAYDON,

Wheat Prices

Editor, The Financial Post:

I note your conclusion that: "The Canadian carryover next August will depend upon the volume of wheat marketed in that gap which occurs before new wheat is available from the United States southwest from June 1 on."

Secretary Wallace (U.S. Dept. of Agriculture) was quoted the other day as warning: "With ordinary weather, the large domestic winter wheat acreage means tumbling wheat prices next July and August." I observed, within the same week, this further statement from the same source: "Secretary Wallace calls upon American farmers to produce—produce abundantly."

Then this not very illuminating prophecy in the current issue of "Wheat Studies" (Food Research Institute): "Weather during the next few months may result either in near certainty of another short wheat crop in North America, or in promise of a harvest of record size."

The clear conclusion to be drawn, therefore, is that nobody knows the weatherman's plans for even 100 days ahead. This fact reinforces me in the opinion that Canadians must find a way to link-up the average wheat farmer to the average price around the calendar year; that tariff-protected urban Canadians should "lend a hand" to their western brethren in the form of a home price for the wheat consumed at home; and that the carryover bushelage in Canadian bins at July 31, 1937, will depend on what, apparently, neither Secretary Wallace, nor The Financial Post, nor the Food Research Institute know anything about — this year's North American wheat crop.

Toronto. D.

A National Policy

Editor, The Financial Post,—

The recent discussions in the House are not very promising toward relieving Canada of the political shackles of provincialism impeding its national progress.

A farsighted legislators such as Coldwell, Cahan and ex-Premier Bennett, without enervating restrictions, urged that the Dominion Parliament should proceed to obtain an amendment in the constitution which would clearly establish its right to enact legislation in national affairs without interference by self-seeking provincialism.

Moreover, it has not been made clear by what right the English Privy Council any more than the Australian Privy Council should have any part in the nullifying of an enactment by Canada's Parliament.

Nevertheles, the crying necessity of a vigorous controlling central government for Canada is very obvious, considering the wasteful prodigality of the provinces in spending money.

Official figures just issued show that in 1925, the provincial debt was $813 millions. Ten years later it had increased to $1,622 millions, 99% more.

Mr. Lapointe, an upright politician, in his recent words, seemed to echo the provincial attitude, but such statesmen as Cartier, Chapleau, and Laurier were strongly national in political spirit.

MALCOLM CAMERON.
Ottawa.

Stop Me If You've Heard This One . .

There is a story told of a well-known teetotaler who, on hearing a companion vigorously denouncing the practice of christening vessels with champagne prior to their launching, replied:

"I don't know that I altogether agree with you, for to my mind there is a good temperance lesson to be found in it."

"How can that be?" asked his companion.

"Well," replied the teetotaler, "it is noticeable that directly after her first taste of wine, the ship takes to water, and sticks to it ever after."

Week in Business

Predict Sharp Rise In Summer Footwear

Manufacturers Claim Prices Out of Line With Material Costs — May Reduce Sales Tax Exemptions

Prices of summer and fall footwear will advance 50 cents to $1 a pair, if the prediction of A. Marois, president of the Shoe Manufacturers' Association, holds good. Speaking at the association's annual meeting this week, Mr. Marois voiced the opinion that the manufacturers cannot forever "continue to play Santa Claus to the public." Shoe prices, he definitely emphasized, must be increased.

In the last two years, it is claimed, the major part of Canadian shoe production has been sold without profit; much of it below full production cost. For this state of affairs, the manufacturers place the onus on factors entirely outside their control. Most important of these is the sharp rise in basic commodity prices. Already, higher raw material costs have seeped through to finished products in some base metal and textile lines.

* * *

Extend Sales Tax

In line with prevailing tax sentiment, it appears likely that the list of sales-tax-exempt merchandise will be further reduced when the Federal budget is brought down this spring. Hardware and Metal recently sounded a warning to the hardware trade, pointing out that in making commitments, dealers should not lose sight of the possibility that sales tax will be applied on a number of their lines which are now free.

Naturally, no inkling of what the budget will contain in this regard can be obtained in advance. However, manufacturers of certain lines of agricultural and road construction equipment and tools are firmly of the opinion, according to the hardware journal, that many of these products will be subject to the sales levy.

* * *

Higher Industrial Production

Attempting to gauge world industrial production for any one year is a very ticklish assignment. It does not dismay the German Institute for Business Research, however, which has already submitted its estimate for 1936. "According to conservative estimates," the Institute states, "the net value of 'world' industry in 1936 amounted to over 300 billion reichsmarks." As the mark is currently quoted at slightly more than 40 cents in Canadian currency, this figure may be translated into roughly $120 billions.

While this is a 9% increase over the previous year, it is still 20% lower than in 1929. Nevertheless, this deficiency is attributed entirely to the continued low price level. Volume of industrial production is actually higher than in the immediate pre-depression years, the German Institute placing the 1936 total almost 15% above the 1928 level and at least 6% above that in 1929.

* * *

Favorable

Export and import trade began auspiciously this year, with January figures almost 30% above those of 1936. Higher prices played a major rôle in the increase, although actual volume was also considerably higher. Among exports, greatest gains were recorded in wheat, newsprint and planks and boards.

Carloadings, down slightly from the previous week, chalked up an 18% advance over 1936 in the first week in February. Forest products were responsible to a considerable degree, pulp and paper, pulpwood and lumber all registering increases of 40% or more. Largest individual gain was in the volume of miscellaneous merchandise handled.

Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA Latest		Cumulative Total Jan. 1 to date	
Transportation—	1937	1936	1937	1936
Car loadings (Feb. 6)	▲46,508	39,501	231,514	193,268
C.N.R. gross earn. (Feb. 7)	$ ▲3,374,104	$ 3,005,083	$ 13,417,456	$ 15,747,637
C.P.R. gross earn. (Feb. 7)	$ ▲2,407,000	$ 2,181,000	$ 12,781,000	$ 11,504,000
Business Conditions—				
Weekly index D.B.S. (Feb. 6)	▲118.9	118.4	......	......
MONTHLY DATA				
Business Conditions—	1936	1935	1936	1935
Financial Post index (Dec.)	118.2	108.0	......	......
Transportation—				
C.P.R. net revenue (Dec.)	$ 3,541,807	$ 3,306,013	$ 23,311,110	$ 22,397,523
C.N.R. net revenue (Nov.)	$ 2,383,271	$ 2,329,155	$ 12,227,251	$ 12,091,78[illegible]
Iron and Steel (December)—				
Pig iron production (tons)	68,499	70,647	678,672	599,875
Steel ingots and castings prod. (tons)	103,952	98,888	1,114,550	941,527
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Dec.)	9,583	5,244	94,203	83,242
Factory output (Dec.)	16,542	11,370	131,30[illegible]	139,744
Trucks and Buses:				
Domestic sales* (Dec.)	1,021	842	20,438	18,219
Factory output (Dec.)	3,869	2,405	31,014	33,253
Exports (Dec.)	3,945	5,535	55,805	64,621
Construction—				
Building permits (Dec.)	$ 3,225,274	$ 2,401,856	$ 39 809,442	$ 46,560,623
Contracts awarded (Jan. '37)	$ 6,622,200	$ 13,610,400	......	......
Newsprint (tons)—				
Production (Dec.)	289,312	244,732	3,179,914	2,752,715
Exports, tons (Jan. '37)	▲259,543	184,883	......	......
Sugar (lb.)—				
Melting & sales§ (raw)	48,509,347	63,639,724	930,021,256	876,813,650
Manufactured§	95,656,430	88,679,521	1,055,584,264	980,625,260
Flour (bbls.)—				
Production (Dec.)	1,090,392	957,219	14,957,870	14,208,802
Wheat flour exports (Jan., '37)	▲313,923	314,311	......	......
Trade—				
Retail trade (index no. of sales) (December)	81.8	76.8	......	......
Imports (January '37)	$ ▲51,862,690	$ 40,590,276	......	......
Exports (January '37)	$ ▲83,416,124	$ 64,744,324	......	......
Wheat exports (bus.) (Jan., '37)	▲9,789,027	7,557,320	......	......
Employment D.B.S. Index (Jan. 1, '37)—				
All industries	103.8	99.1	......	......
Manufacturing	102.4	96.8	......	......
Electric Power Output (Dec.)—				
Total monthly m.k.h. (000's omitted)	2,324,915	2,156,525	25,493,474	23,404,412
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (January '37)	▲156,913	72,236	......	......
Boot & shoe prod pr. (Dec.)	1,539,942	1,565,986	21,888,531	21,712,686
Crude petrol., imp. gal. (Dec.)	60,569,143	55,639,590	1,244,663,276	1,174,794,086
Cotton imports, lb. (Dec.)	20,842,725	22,186,866	150,287,167	129,615,395
Raw rubber imp., lb. (Dec.)	2,673,053	5,745,825	62,821,760	60,189,265
Coal imports, tons (Dec.)	1,132,879	800,581	13,768,772	13,006,021
Cigarette cons., (Dec.) No.†	435,425	461,468	5,600,448	5,305,369
Finance—				
Bank debits (Dec.)†	$ 3,404,592	$ 2,932,304	$ 35,928,607	$ 31,546,066
Bond sales (Jan., '37)	$ ▲206,871,500	$ 150,657,114	......	......
Life insurance sales (Dec.)	$ 36,904,000	$ 36,550,000	$ 376,885,000	$ 369,384,000
Automobile Financing (Dec.)—				
Used cars	$ 1,314,568	$ 942,024	$ 24,482,159	$ 17,931,608
New cars	$ 2,714,043	$ 1,285,656	$ 29,726,841	$ 22,410,656

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted §For 4 weeks to Dec. 31.

To Holders of

Maritime Telegraph & Telephone Company
Limited

Refunding and General Mortgage Bonds
Series "A" 5%, due January 1, 1956

Notice of Exchange Offer

Subject to approval by the Board of Commissioners of Public Utilities of Nova Scotia, the above bonds will be called for redemption on July 1 next at 104 and accrued interest and be refunded through an issue of 4% First and Refunding Mortgage Bonds, Series "C", due July 1, 1967.

Holders of the Series "A" Bonds are offered the opportunity, within a limited time, to exchange them for Series "C" Bonds on a par for par basis. The Series "C" Bonds delivered on such exchange will carry a special coupon at the rate of 5% per annum for the half year ending July 1, 1937.

Particulars of the exchange offer and copies of the circular describing the new bonds may be obtained on application to any of our offices.

Royal Securities Corporation, Limited

Halifax Montreal Toronto Saint John Charlottetown Quebec Ottawa
Hamilton Winnipeg Calgary Vancouver St. John's, Nfld. New York London, Eng.

February 12, 1936

CLUB COUPE

The newest of the 11 Ford V-8 body types for 1937 is the de luxe club coupe, pictured here. It is of the "close coupled" type, with enclosed rear seat. The body has the compactness of the coupe, while retaining the lines of the sedan type cars.

Background of Business

B.C. Car Sales Show 40% Increase in Year

Passenger Car Purchases in 1936 Total 7,842 — 20 Makes Involved — Commercial Turnover Up

British Columbia bought 7,842 passenger cars in 1936, an increase of nearly 40% over the corresponding figure for 1935. Sales of commercial cars jumped from 1,790 in 1935 to 2,055 in 1936. Passenger car sales in the past year were more than double the number sold in 1934.

Unofficial figures show sales distributed among some 20 makes of cars as follows:

Passenger Car Sales in British Columbia

	1936	1935
Auburn	10	9
Austin	313	187
Cadillac, LaSalle	14	12
Chevrolet	1,526	892
Chrysler	181	101
DeSoto	60	36
Dodge	802	481
Ford	1,680	1,779
Graham	49	54
Hudson	93	92
Hupmobile	12	49
Buick	225	113
Nash	281	111
Oldsmobile	278	354
Packard	144	64
Plymouth	942	604
Pontiac	244	247
Studebaker	208	112
Terraplane	397	313
Willys	176	56
All others	207	7
Total	7,842	5,675

Commercial Car Sales

	1936	1935
Austin	52	38
Chevrolet	467	442
Dodge	164	120
Fargo	60	...
Federal	40	32
Ford	589	685
G. M. C.	47	46
I. H. C.	342	289
Reo	22	21
White	22	15
All others	250	102
Total	2,055	1,790

* * *

Widen Index Survey

Hardware and Metal, Toronto, has drawn attention to the fact that the Index of retail sales published by the Bureau of Statistics at Ottawa applies only to sales of 12 corporate chain organizations comprising 65 stores or about 2% of the total number in Canada.

The Bureau of Statistics reports the question of extending this coverage to independent hardware stores has been under consideration and will be effected soon. It was pointed out that the same problem has occurred in regard to sales of furniture and that the Bureau is now receiving returns from chain stores and independents in this field. Results of this check-up in regard to furniture show that sales from year to year revealed the same trend in both chains and independents but that seasonal movements were somewhat different.

In regard to hardware sales the Bureau's index has recently indicated sales to be 25% greater than the previous year. A survey by Hardware and Metal is said to indicate that for the entire business this percentage gain is probably not more than 15%.

* * *

Vegetable Prices

Cold weather on the Pacific Coast has forced an increase in vegetable prices by the B. C. Coast Vegetable Marketing Board. Carrots and turnips rose $3 a ton to $25, while parsnips were quoted wholesale at $32, an increase of $2. Continued cold weather in the Fraser Valley has made it almost impossible to dig roots from pits or ship them to Vancouver.

At the end of January potato prices in Vancouver rose $2, increase being made in an effort to protect domestic supplies which were not more than adequate to meet local demand since U. S. buyers were bidding for the local products.

On the other hand, mild weather in eastern Canada has tended to boost many lines of trade which normally are seasonally quiet at this time of year.

This would seem particularly true of automobile sales and sales of gasoline and similar products due to the fact that highways in most parts of Ontario, for example, are as open as they would be in the middle of summer.

* * *

Benefits Distributed

Distribution of $465,000 among 1,120 Canadian employees of General Motors took place recently as a result of the maturing of the 1931 investment plan.

Principal beneficiaries in Canada are 871 employees at Oshawa, who will collect $365,000. Other groups to benefit are located at St. Catharines and Windsor.

Those who participated in the company's investment plan to the extent of paying in $100 during 1931 received $256 in the distribution, part of which is in cash and part in General Motors common stock.

Since inauguration of the plan, the corporation at large has paid out $242.5 millions to its employees, of which $103 millions represents the company's contribution while $139.5 millions was paid in by employees. With the 1935 tariff, however, the plan was discontinued in view of the Social Securities Act.

* * *

Radio Output Gains

During the first nine months of 1936 the Canadian producers made a total of 161,998 radio receiving sets. They also imported 984 sets, exported 1,810 and sold 148,154 units in Canada.

Production of radio receivers at 92,327 sets during the third quarter of 1936 was the highest total reported for any quarter since the record was established at 131,777 sets for the last three months of 1931. Output during the period under review was 125% over the 40,954 sets of the previous quarter and 65% over the 56,043 made in the same quarter of last year.

* * *

Alberta Freight Rates

Rates schedule and regulations under the Public Service Vehicles Act of the province, effective April 1, have been issued by the Highway Traffic Board of Alberta.

Minimum charges for transporting goods first class by truck, bus and railway express are included. For example, 100 pounds freighted for a distance of 100 miles costs 60 cents by truck, $1 by bus and 90 cents by C. N. R. Express, a comparative rate table shows.

* * *

Ocean Freight Rise

Ocean freight rates affecting many British Columbia products are going up, and steamship men say the movement is only the beginning.

Improving economic conditions, European war talk and the maritime strike down the coast are given as the reasons.

* * *

Toronto Industries

Eleven outside concerns began factory operations in Toronto last year according to the annual report of the Toronto Industrial Commission. In addition eight existing Toronto firms were assisted in connection with expanding their plant facilities, adding new lines of manufacturing, etc.

In eight years of operation the report showed that 126 new industries have been established in the Toronto area and 24 manufacturing arrangements effected with the assistance of the Commission. At the end of 1936 these developments represented capital investment in plant and equipment of over $6.9 millions, which was a gain of $1.3 million compared with last year; direct employment of 4,015 persons, a gain of 743 over 1935; and annual payroll in excess of $4 millions, an increase of $831,000 over 1935; and 1.9 million square feet of floor space occupied, a gain for the year of 270,000 square feet.

John A. Tory was elected president. T. H. Bartley, general manager and secretary of the Commission.

* * *

Gas Truck Licenses

Licensing of gasoline trucks and tanks under legislation passed in 1936 became effective in Ontario on Feb. 1.

The new rules are designed to make stricter regulation possible in order to lessen fire hazards. The new law assesses a fee of $1 per truck and per storage tank. Enforcement comes under the Department of Highways and Fire Marshal.

Combines Act Machine Tuned To Meet Need

Commissioner to be Placed at Head of New Branch

WIDE POWERS

From Our Own Correspondent

OTTAWA.—Federal machinery to deal with illegal combines or other restraints of trade is being tuned up and strengthened by reconstituting the Combines legislation under the Labor Department with somewhat greater powers and importance than before.

It is being withdrawn from the Trade and Industry Commission, where it was shunted when that body was set up in 1935. This step was forecast in The Financial Post last October.

At the head of the reorganized Combines branch will be placed a commissioner. This is a notable change. Prior to 1935 the Combines branch of the department of labor was under a registrar, and when, after preliminary investigations, combines injurious to trade were suspected, "ad hoc" commissioners were appointed. The registrar was chiefly a medium through which enquiries were conducted, a sort of grand jury to report "true bill" or "no bill" when preliminary investigations indicated that unfair trade practices might be going on.

Permanent Commissioner

Under the new set-up the Commissioner will be a permanent one, heading the branch, and usually the investigations will be conducted by him. There will be the power to appoint special commissioners from the outside, if desired. There will also be, under the new act, an assistant commissioner.

The Trade and Industry Commission figured largely in the Stevens reforms for the conditions exposed by the Price Spreads enquiry. Hon. H. H. Stevens envisaged a powerful Dominion referee to deal with unfair trade practices, sanction mergers and agreements, and penalize offenders.

The Bennett Government, while impelled to set up such a body because of the recommendations of the Price Spreads committee, never took the suggestion very seriously. The three members of the Dominion Tariff Commission were given the work of the Trade and Industry Commission to look after as a sort of hobby or part-time proposition.

The special prosecutor which the act provided for was never appointed.

About the only work the Trade and Industry Commission has done to date is the enquiry into the Western Packers' complaint at Winnipeg last summer, a case which is still before them.

The Government has not yet decided upon the person who is to head the new enlarged Combines Branch. It is suggested that he should enjoy the quasi-independent position and be free to look into complaints of unfair restraint of trade from any source. He would consult with the Minister of Labor and in a sense would be a deputy of his department, but with a considerable measure of freedom, as a public tribunal and court of appeal.

McGregor Mentioned

It is possible that the Government will seek an outstanding judicial figure to head the Combines Branch, and appoint Fred. A. McGregor, the present registrar, as his assistant.

The present law regarding evidence forbids the use in a court of law for prosecution purposes of the evidence, oral and written, obtained during preliminary investigations of the Combines Branch. This sharply curtails the power of the branch, since much of the documentary matter required in the enquiry represents the only evidence upon which prosecution in a court of law can be based.

That part of the act which prevents such evidence being so used originated in the Senate, and it is quite possible that when the present amendments to the Combines Act are before the Senate there will be difficulty in getting them through. Without the amendment regarding evidence the effectiveness of the act will be much impaired, according to the authorities on combines.

The present act does not quarrel with combines or arrangements as such, where they exist in business, labor, etc. It is when such combines operate in such a way as to exploit the public, the worker or the consumer, that they become illegal within the law. The investigations are carried on through federal machinery, and the findings, if illegal combines exist, are passed along to the provincial authorities for prosecution.

Snow, No Snow Halt Lumbering

Weather continues to play strange tricks across Canada. A solid month of freeze-up has greatly retarded logging and lumber industries in British Columbia with some camps reporting snow six feet deep, thus making it impossible to operate. Saw mill production at the month-end was down to about 60%. Booming is also being hampered and rendered impossible wherever there is fresh water.

The opposite conditions have hampered logging in eastern Canada, when thousands of loggers were forced into inaction and, in some cases, relief from work due to lack of snow.

Consolidated Paper Corp. Appeals Tax Assessment

From Our Own Correspondent

MONTREAL.—Consolidated Paper Corp. has appealed against the assessment of $5 millions set by the city of Three Rivers on its property. The city council rejected the plea by the company for fixed assessment of $1.8 million.

In its plea the company claims the 1937 valuation is exaggerated. The value of land, buildings and machinery does not exceed the $1.8 million figures submitted to the council. The company also protested assessment of a dock and certain machinery which, it claims, lies beyond the city limits.

Individual Investment Requirements

No two persons have quite the same circumstances or obligations to consider in managing their investment affairs. It is the aim of this organization to make such investment suggestions as will best suit the specific requirements of individual clients.

Inquiries are invited at our Branch nearest to you

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

Funded Debts
Dominion of Canada
Canadian Provinces

A new booklet describing the Funded Debts of the Dominion of Canada and the Canadian Provinces, corrected to January, 1937. A copy will be mailed upon request.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Ottawa Telephone: Elgin 0161 London
Montreal Hamilton

New Building

Construction of a block of stores at the corner of Howe and Dunsmuir Streets, Vancouver, is expected to start soon. The project will cost in the neighborhood of $20,000.

The Hudson's Bay Co. has awarded contracts for alterations in its Vancouver department store according to an Industrial News bulletin of the Vancouver Board of Trade. The alterations will cost $18,500.

A $30,000 addition to the Cornwall court apartment block in Regina has been announced.

The Province of Ontario is planning a programme of additions to provincial hospitals the cost of which is estimated at $2 millions.

Eldorado Gold Mines has authorized an expenditure of $150,000 to expand production of its Port Hope radium plant.

The Swift Canadian Co. will establish a new plant in Hanover, Ont., at a cost of $75,000. A fixed assessment of $10,000 has been arranged with the municipal authorities.

Ford Motor Co. of Canada Ltd. has made public its plans for a $225,000 building at Saint John, N.B., to be used as a sales and service headquarters for the Maritimes. The site for the new building has been acquired.

The following building projects are listed in The Commercial News and Building Record, Toronto:

The contract has been awarded for $45,000 store building on Eglinton Ave., West Toronto. The building is being erected by the **Huntsville Trading Co.,** Huntsville, Ont.

Tenders will be received until 5 p.m. Feb. 22 by **Foundation Co. of Canada** for work on the **Baie Comeau** project of the **Ontario Paper Co.**

Sisters of the Good Shepherd, Quebec, P.Q., are planning erection of a $150,000 convent in the spring.

PROSPERITY RETURNS....
BUT, HOW ABOUT PROFITS?

PROFITLESS prosperity is already beginning to worry the officials of many companies. As business picks up, waste appears in many dangerous, unforeseen forms. Expenses, formerly kept well in line, suddenly increase and soon get out of hand.

Are you fighting waste as vigorously as you did in 1932 and 1933? With May Expense Controls, your task would be much easier. They would be developed especially for your business by experienced May Engineers and would provide a guide for a continuous and positive check-up of all items of expense.

Last year, 323 companies, representing 57 different industries in the United States and Canada, employed the May Company to help them cut operating costs. May Expense Controls were an important aid in producing results for these companies.

Make the most of your 1937 sales! If you are not earning at least 10% net profit, then you should investigate May Expense Controls now. Write our nearest office for complete information.

GEORGE S. MAY, LIMITED
320 BAY ST., TORONTO

CHICAGO
2600 North Shore Ave.
SEATTLE
710 Second Ave.

NEW YORK
122 East 42nd St.
ATLANTA
134 Peachtree St.

Magnetism in Modern Merchandising

ASIA
CANADA STORES
FACTORY
EUROPE

EVERY year, hardworking civil servants at Ottawa produce a huge six-pound volume on Canada's foreign trade. Behind these pounds of statistics lies an amazing story of modern merchandise. It is the story of seals from Newfoundland, dates from Smyrna, grapefruit from California, tea from Ceylon, leather from Egypt, pottery from Mexico and Czeckoslovakia and so on.

The story of millions of articles of merchandise pouring ceaselessly into warehouse, store and home. A story, in short, that brings to the humblest citizen the goods and produce of every country in the world.

* * *

A Shrinking World

THINK back thirty, twenty or even ten years and the way the world has shrunk — merchandisingly speaking — is literally amazing. Most of this has gone on quietly without show or display—has, in fact, become part and parcel of the everyday business of buying and selling. Occasionally some of the story bubbles to the top, as for example, when newspaper headlines tell of special merchandise rushed in record time over land and sea in the way that goods were brought over last year on the maiden voyage of the Queen Mary.

By and large, the story is one best told by tracking down the thousands of buyers who annually leave Canadian shares to scour the world for the trinkets, the pottery, the clothes and the foods which Canadians will use, wear and eat in a few months time. Measured in terms of dollars and cents it is a vital story to Canada's position among the trading nations of the world. Measured in terms of human relations it is an intimate living picture of the likes and dislikes of eleven million people —from coast to coast and as far north as the Arctic Circle.

* * *

The Transportation Link

TRACE this stream of merchandise from the time it steams into a Canadian harbor or from the time it moves into use from Canadians farms or factories and one sees again another vital link in the merchandising chain. Here modern transportation and shipping facilities swing into action and a $700 million investment in highways, a 42,000-mile railway system, countless miles of waterways and a small army of commercial trucks carry on the job of speeding delivery at the modern tempo.

In Canada, as well as in other countries, another new factor, the airplane, is making its mark in this picture so that this country now leads all nations of the world in the volume of freight and express carried annually through the air. This total during 1935 reached a record mark of 26 million pounds with the prospect of another new mark achieved during 1936.

Nothing is more fascinating than this story of transportation achievement not only in the air but on land where new methods, new materials, have cut transportation costs to a fraction of those of yesteryear and in doing so have speeded the movement of goods to a point little dreamed of a few years back.

Two examples serve briefly to illustrate the point. Just recently it was found that the introduction of aviation to a point previously served by water transport had not only speeded delivery to an amazing degree but actually cut costs over former methods due to the higher volume of tonnage which now offered itself via the faster route. Similarly, motor transport has brought new standards of service and new flexibility which have in turn permitted wider distribution and sale of merchandise at lower costs.

* * *

Changed Habits

ONE big change in merchandising which has resulted from modern transportation methods has been the fact that merchants are no longer obliged to lay in large stocks of goods. They can place their orders more evenly and regularly throughout the year in confidence that modern machinery and methods will keep them well and regularly supplied at all times. This trend has been one of the outstanding ones in modern-day merchandising and is a tribute to the way in which the country, the farm or factory are being linked more closely with the store and the ultimate consumer.

Seafresh
Seafresh
Seafresh
Seafresh

EAST MEETS WEST when modern packaging and refrigeration comes to the aid of Canadian fishermen. Use of quick-freezing facilities and odor-proof Cellophane have boosted sales of Canadian fish in many parts of the Dominion.

* * *

Profitable Selling

BUT bringing the merchandise to the store is only half the problem. Not only must the goods in their infinite variety, freshness and appeal, arrive safely, they must be sold and sold quickly and profitably. But the very tempo of modern buying makes for complexity in modern selling. Where formerly there were a few items competing in the same field, today there are hundreds, perhaps thousands. Increasing discrimination among the buying public has forced merchants to increase the varieties of products carried in stock to a point where obviously they cannot all receive equal promotion and prominence of display.

Read what an expert said recently on this subject:

"To the best of his ability the individual retailer makes his selections, electing which products shall be relegated to back shelves and under-the-counter positions, as well as those chosen for more favorable display. Preference must be given to those products which, by appearance and nature, will appeal to and be bought by the largest possible number of customers, in order to make profits for the dealer.

"But with thousands of items competing for the retailer's attention, with varying margins of profit to switch his loyalty, the selfish interests of the manufacturer dictate that he shall lend a definite helping hand in the retail store. Only by so doing can he make certain his products receive the attention they must be given to be profitable."

* * *

A Fish Story

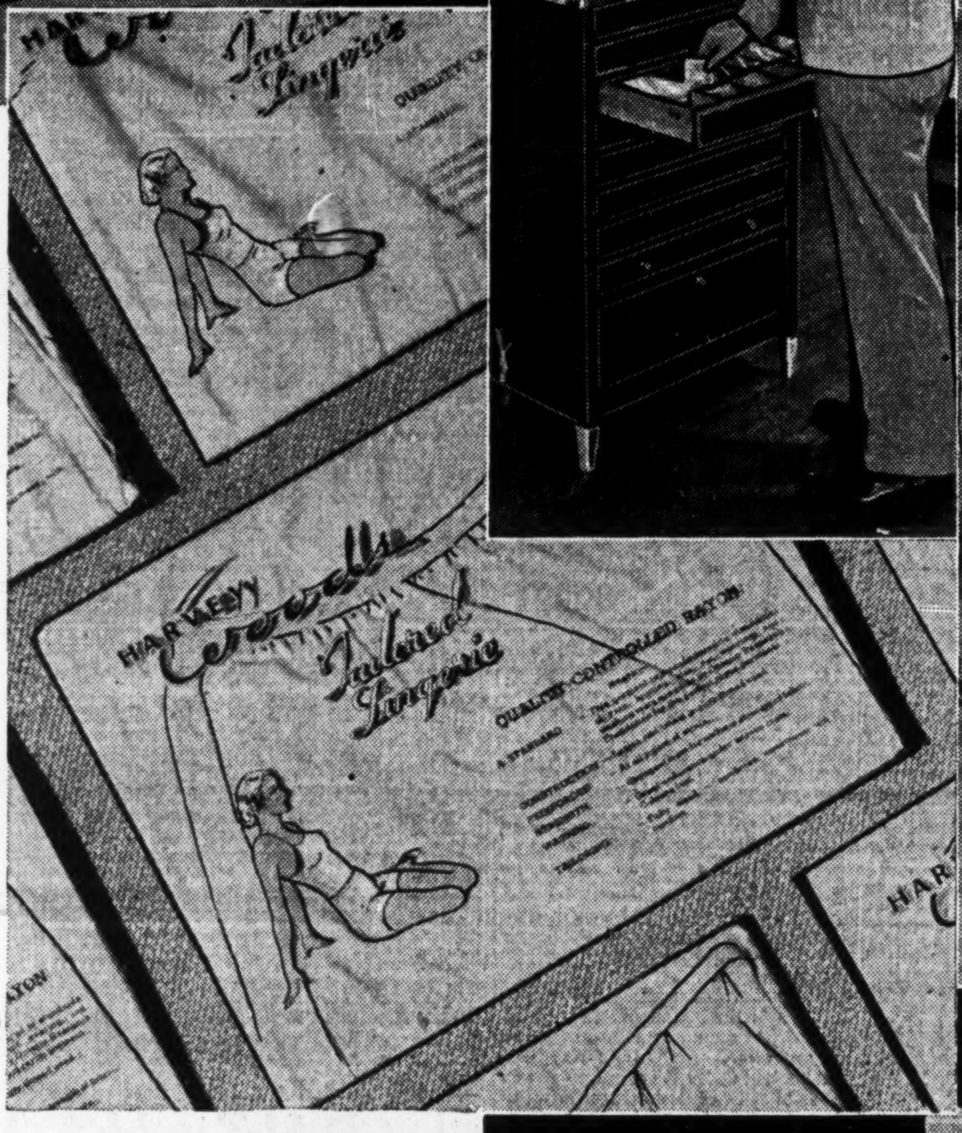
AN INTERESTING example of what was recently accomplished in a product of wide interest to Canadians is the story of achievement through proper packaging of a line of quick-frozen fish which gained some 300 retail grocery outlets within a few weeks of its appearance on the market.

Frozen by a new rapid process the fillets were then wrapped in transparent odor-proof Cellophane and packed in cartons. This protective wrap permitted the display of the fish with such items as cooked meats and dairy products without fear of contamination. Thus stores with ordinary refrigerators or refrigerated show cases were able to handle the product without need of installing extra equipment such as is usually necessary for the handling of fish. That such a plan is eminently practical is evidenced by the fact that in the United States a similarly packaged product is merchandised by dairies and delivered daily as ordered with supplies of milk, butter and eggs.

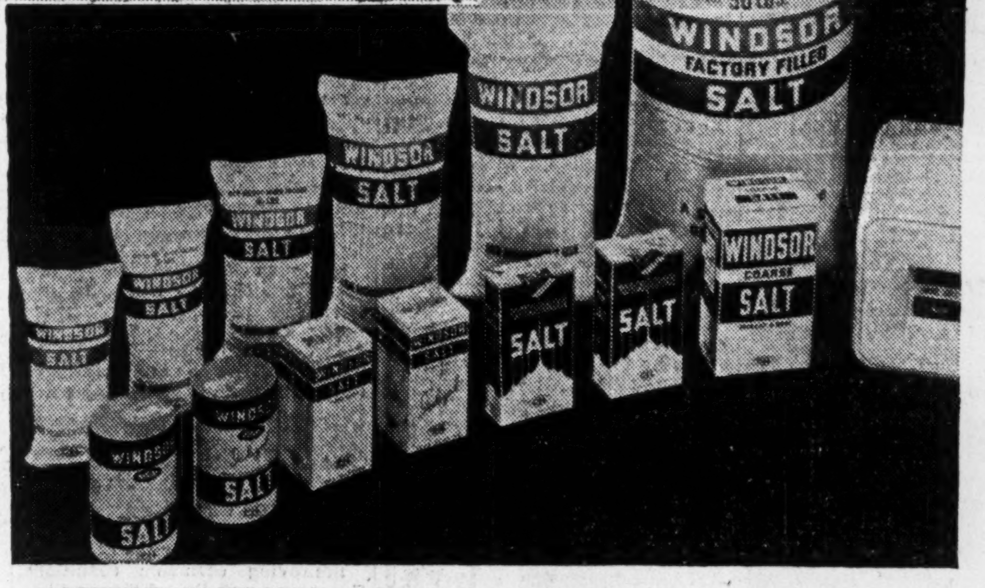
Here we see modern methods and modern merchandising working hand-in-hand. For under this new system the fish is frozen within three hours making it possible to better preserve flavor due to the formation of small crystals which do not break up the tissue structure of the fish and which prevent an escape of flavor when the fish is thawed out.

Introduction of another important Canadian product — Cellophane — brings not only merchandising advantages but consumer advantages in that the packages may be placed in any part of a home refrigerator without danger of harming other foodstuff. There is also the fact that the fillets are untouched by hand from the time of their freezing to the time they are prepared for cooking.

Perhaps it is along these lines that familiar complaints of "Maritime rights" and under-paid fisher folks can be eradicated.

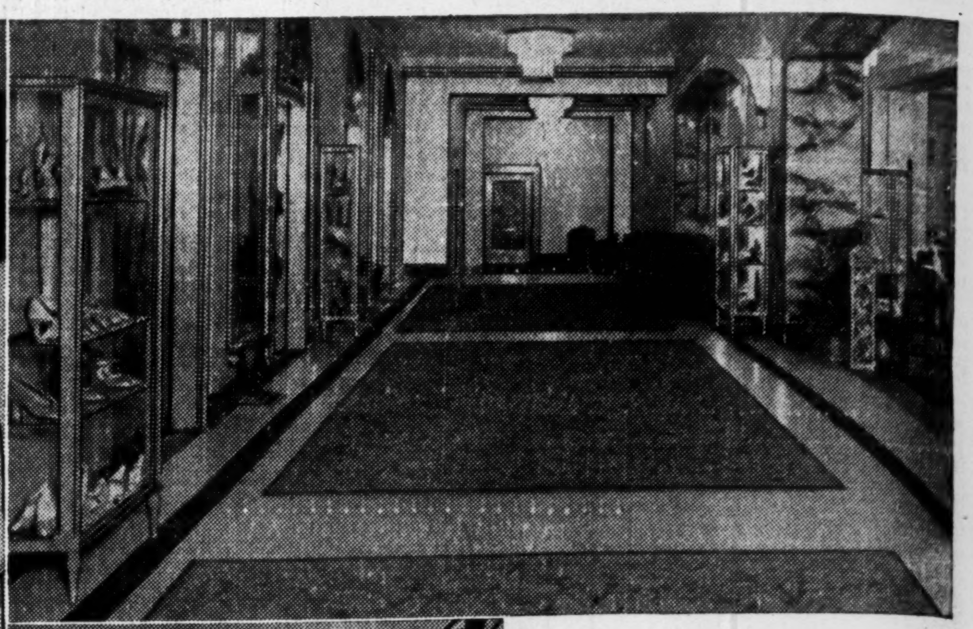


SALES APPEAL depends on many factors. New Cellophane packages combine visibility with cleanliness and at the same time carry the complete story of the product as to quality, size, color, etc. Definite increases in sales are attributed to their use.



RESTYLED PACKAGES have played an important part in modern merchandising. The new trend toward a "family" group is well illustrated in the familiar household product shown above.

AT TOP CENTRE a modern cash register unit aids accounting and sales problems, especially in stores handling a wide variety of merchandise.



Hostess Shop

Modern merchandise becomes doubly attractive when set out in attractive surroundings.

ABOVE, a dignified rotunda in the Robert Simpson Co. store in Toronto.

AT LEFT, a corner of The T. Eaton Co. Hostess Shop which brings unusual merchandise and foodstuffs under one roof.

Salt and Savor

AN EQUALLY interesting story is the transformation taking place in the packaging of thousands of products with which Canadians have long been familiar.

Not so many years ago salt, for example, was sold to the public in barrels to be weighed out as required into a paper bag and stored in a large crock in the home. Here it usually absorbed sufficient moisture from the air to harden into a solid mass thus becoming the despair of the housewife and a continual source of annoyance to those at the table. The next development was the salt roll—a long hard cylinder of salt—which middle-aged men remember rolling out on a Saturday mornig as one of their boyhood chores. These days seem a far cry from modern methods of merchandising this product in a handy, hygienic package which is not only untouched by human hands but has reduced to a minimum the nuisance of clogging, etc.

The trend toward improvement has been a steady and logical one. First a package, then a scientific development to make it free running, then a metal spout for easy pouring. Finally, an entirely new package incorporating modern ideas in construction and design. For example, the new package carries a uniform "family" resemblance there being no less than fourteen different products all carrying a uniform color scheme and design which tends to make its appeal automatically whenever salt is thought of. The new package is square rather than round, as formerly, because of the possibility that a round carton may present a slippery surface to the housewife's wet hands. Finally, to crown the achievement is a moisture-proof Cellophane wrap ingeniously devised so that it need not be removed when the pouring spout is opened.

* * *

Housewives Reaction

TYPICAL of the importance of packaging and similar problems is a report made recently by Market Research Corporation of America in which they checked the reaction of housewives. Here, for example, are some of the high spots of this report:

"The ladies like square bottles but not square tins. They are on the warpath against all manufacturers of catsup for their tall, narrow-necked bottles which are difficult to empty and which slop over the top of the bottle and turn inside of the metal caps black. They have troubles both with emptying devices which pour too freely and those which won't pour freely enough. They hate any and all containers which result in broken fingernails and cut fingers. They like the protection afforded by Cellophane and other transparent wrappings, but hate to have to struggle to find how to open them. Spouts of all kinds are much on the ladies' minds. Anchor tops are poison to one and all. And boxes which are both convenient and sanitary after they are opened are 'pets' in almost all kitchens."

Yes, there's magnetism in modern merchandising.

Modernization is a major factor in the forward march of Canadian business. The following firms and institutions have made possible this constructive series of articles to indicate in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canada:

J. J. GIBBONS LIMITED
Advertising Agents
Montreal, Toronto, Winnipeg, Regina, Calgary, Vancouver
"Gibbons knows Canada"

INTERNATIONAL FIBRE BOARD LIMITED
Montreal Ottawa Toronto
Ten-Test Insulating Wall Board
Insulates, Decorates, Quiets Noise

INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
Nickel — Inconel — Monel Metal

MASSEY-HARRIS CO. LTD.
"Builders of Good Farm Implements"

NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED
National Cash Registers, Accounting Machines, Check-writing and Signing Machines and Correct Posture Chairs.

NATIONAL STEEL CAR CORPORATION LIMITED
Hamilton — Montreal
"Specialists in Transportation Equipment"

THE ROBERT SIMPSON COMPANY LIMITED
"You'll enjoy shopping at Simpson's"

UNITED STEEL CORPORATION
Modern Power Transmission Machinery
Dependable Conveying and Elevating Equipment

ANGLIN NORCROSS CORPORATION LIMITED
Montreal Toronto
"Building Construction"

BELL TELEPHONE COMPANY OF CANADA
"Continuous improvement in telephone service has made Canadians the world's greatest users."

CANADIAN AIRWAYS LIMITED
Radio — Transport — Survey
Air bases throughout Canada

CANADIAN INDUSTRIES LIMITED
"Cellophane" Division
"Cellophane" the modern packaging medium

CANADIAN INGERSOLL-RAND COMPANY LIMITED
"Compressed Air Tools, Appliances and Processes lower costs and increase production."
Air Compressors—Pneumatic Tools—Vacuum Pumps—Centrifugal Pumps—Air Hoists.

DOMINION RADIATOR & BOILER CO. LTD.
DoRaD, Arco, Mogul Boilers
Corto, Dorco Concealed Radiation
Modernization financed through Heating & Plumbing Finance Ltd.

THE T. EATON COMPANY LIMITED
"It pays to shop at Eaton's"

CANADIAN AUTOMOBILE CHAMBER OF COMMERCE comprising:

Chrysler Corporation of Canada Limited
Chrysler, De Soto, Dodge and Plymouth Automobiles
Dodge and Fargo Motor Trucks

General Motors of Canada Limited
Chevrolet, Pontiac, Oldsmobile, Buick, La Salle and Cadillac Automobiles
Chevrolet and G.M.C. Motor Trucks

Hudson Motors of Canada Limited
Hudson and Terraplane Automobiles

International Harvester Co. of Canada Ltd.
International Motor Trucks

Machine Gives Sales Picture

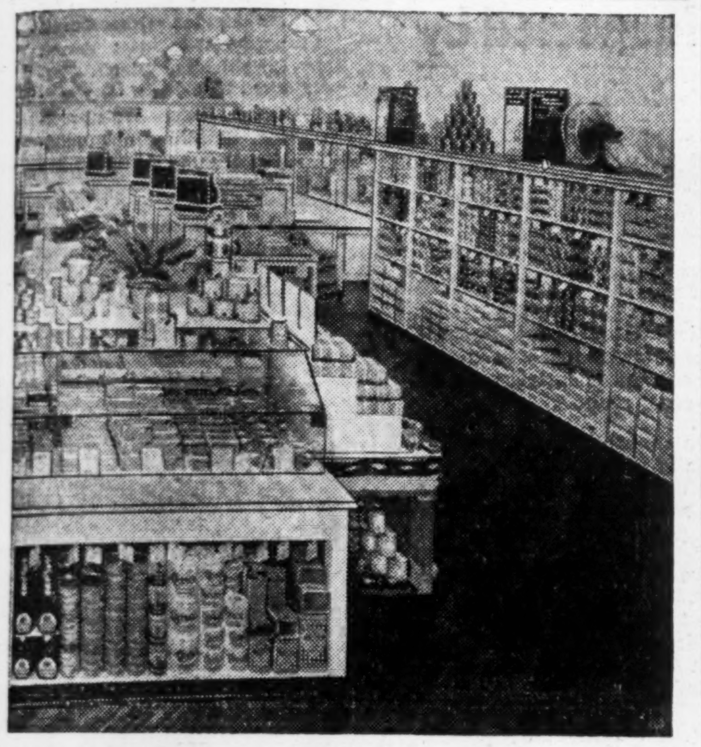
Cash Register Provides Full Details of Business Transactions

Modern merchandising consists of having a complete picture of the progress of the business at all times. Merchants are getting away from the hit-and-miss policy of simply handing out the merchandise asked for, taking cash from some, allowing indiscriminate credit to those who ask for it, and jumbling up the sales in all departments. Department stores have, of course, been separating these sales for many years, but in the last few there has been a distinct tendency on the part of other merchants and particularly those operating combination meat, grocery and fruit and vegetable stores. Without a knowledge of what is doing in each department, a retailer cannot determine the progress of each. He may be making a lot of money in one, but losing it in another. The modern merchant, too, wants to know his sales in each department, each day each week, and each month of the year so that he can make comparisons with former years.

A few months ago a Toronto department store completely revamped its self-serve grocery department. Here are sold not only groceries, but fruits and vegetables, meat and fish. A groceteria company established a policy a few years ago of operating larger stores and adding a meat department, also fruits and vegetables. Today out of 112 units all over the province of Ontario, almost half of them are combination market stores. Both these firms—as well as a great many other individuals and chains throughout Canada—have adopted the plan of separating sales of departments, of giving the customer an itemized receipt of each individual purchase, and of providing for themselves daily, weekly and monthly records of sales. This job is taken care of by machinery and it is the modern cash register that does it.

When the customer has selected the foods desired, she approaches the checking counters with her basket. Here there are several cash registers. Transactions are recorded by pressing the amount keys, the sales clerk and department keys, and the operating bar. As each registration is completed, the sales clerk's initial, amount, and department are shown on the indication at the top of the register. At the same time a detailed, itemized receipt is issued to the customer—a policy designed to provide the shopper with confidence that he or she is being fairly treated because the receipt which is mechanically totalled can be gone over at leisure to see that the correct charge has been made for each separate item.

Total sales in each department are provided by this type of register each day, thus giving the management important figures that assist them in following closely the course of business from week to week, month to month and year to year.



MODERN SALES ACCOUNTING

National Cash Register equipment, used by modern groceterias, does everything but carry out the customer's parcel. Details of sales are recorded in such a way that the purchaser and the store have a complete picture of the transaction. The exit corner of a modern groceteria is shown above.

THE HOUSEWIFE'S GUIDE

Counter showcases equipped with refrigeration provide a useful guide to the shopper looking for meats or perishable groceries. It has been shown that 40% of the purchases are made not from inspection of lists but from impulse inspired by what the shopper sees in the store. A Frigidaire installation is shown above.

Refrigerated Counters Shoppers' Inspiration

Great strides have been made in commercial refrigeration in retail stores in the last decade. The modern refrigerated counter has tended to a considerable increase in the sale and consumption of perishable products—fresh cooked and cured meats, cheese, fish.

Certain tests made by merchandisers indicate that more than 40% of foods purchased in retail stores is bought on impulse—that is these foods were not on the shopper's list prior to entering the store but were selected because they were attractively shown and displayed in a clean, inviting, sanitary manner. Thus, the mechanically refrigerated display counter now used in aggressive meat and combination grocery and meat stores across Canada has come to be regarded as an important sales asset. In fact no merchant who is anxious to secure his share of the better class trade would think of operating a store without one.

Its potential value is indicated by actual experience of retailers all over Canada. Not long ago, an Edmonton, Alberta, retailer, for instance, installed one of the modern iceless refrigerating systems and made a definite check as to the business done. From July until the middle of October he found that sales had been doubled. By keeping the meats and other perishables in an even temperature and absolutely sanitary, he found that with the additional sales appeal of the glass-front counter, sales immediately ran up. He attributed at least 75 per cent of the increase to the new equipment.

A Nova Scotia dealer in attesting to the value of his modern refrigerated display counter, said that since he installed it, he had not lost one pound of meat and that he had kept celery, rhubarb, lettuce, spinach and other green stuff in it, very seldom losing a single piece, whereas prior to that he was continually throwing unsold goods into the garbage barrel. He calculated that the equipment would pay for itself in two years time at the rate he was saving merchandise.

A Montreal dealer said that his customers had been quick to realize the benefits of buying food kept perfectly and which looked so appetizing, following the installation of the new system.

Development in chain food stores and among many of the progressive independents, has been along the lines of combination units in the last few years. In fact, this development has been impressive. Merchants are selling meats, groceries, fruits and vegetables all in the one store today so that the shopper may concentrate on his or her purchases. Without the modern refrigeration these stores would be impossible and especially the self-service type where customers buy what they see.

Sales Helped By Cellophane

Packaging of Merchandise in Transparent Covering Helps

Few important stores selling grocery products can be found anywhere in Canada today without displays of merchandise put up in Cellophane. This system of wrapping has, in fact, been one of the outstanding merchandising ideas of recent years.

Increases in sales all the way up to 100% and more of goods shown in transparent wrappers have been experienced.

Not only is the visible package put up and displayed by merchants, but a wide variety of manufacturers are using the idea for their packages. Thus we see biscuit cartons wrapped in this way, cereal products, bacon, cigars, cigarette packages, candy packages, shirts and other wearing apparel.

Use by Retailers

How retailers in the food field are using the modern transparent wrapper to increase business is shown by experiences given by some of them recently. For instance, Jenkins Groceterias in Alberta with headquarters in Calgary—operators of a local chain of between 30 and 40 stores—report increases in sales of various lines from 20 to 30%.

PACKAGES THAT SELL

Our staff of designers will gladly analyze your packaging needs and submit suggestions for an improved, modernized, sales-producing package. This service is available to established firms without cost or obligation.

DOMINION PAPER BOX COMPANY, LIMITED
(Division of F. N. Burt Company, Limited)
469 King Street West, Toronto — Adelaide 1481

Paper Boxes - Allied Products - Fibre Cans

Boost Farm Profits
with a Friqidaire
COLD STORAGE ROOM

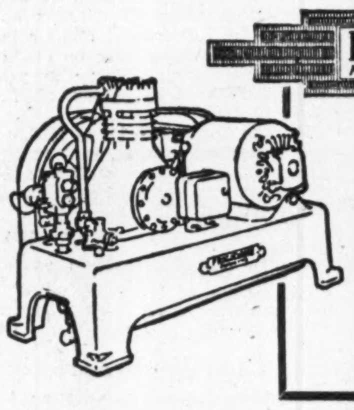
SOMEWHERE in your farm buildings is space that can be converted quickly and inexpensively into a cold storage room that will pay you handsome profits.

With a Frigidaire-equipped cold storage room you need no longer rush your produce to market to avoid spoilage. You can hold your eggs, poultry, etc., for highest prices. In addition, the same Frigidaire equipment can be used for supplying cold for a milk cooler, if desired.

Investigate this modern aid to higher farm profits. Without charge or obligation, Frigidaire will look over your requirements and submit recommendations, installation plans and tell you just how much the storage room you require would cost. Consult your local Frigidaire man or sign and mail the coupon. Do it today.

MAIL THIS COUPON ↓

FRIGIDAIRE
MADE ONLY BY GENERAL MOTORS



Frigidaire Division,
General Motors Sales Corporation,
35 Fraser Avenue, Toronto.

Without obligation I would like to receive your recommendations and estimate of the cost of a cold storage room for my farm.

Name ....

Address ....

THE T. EATON Co LIMITED
Install modern
NATIONAL CASH REGISTER EQUIPMENT
in their
NEW FOODATERIA

Long users of National Cash Registers, The T. Eaton Company, Limited recently installed 11 new itemized receipt-printing Nationals in their new Foodateria.

In keeping with their farseeing policy, they purchased these latest type National Cash Registers to give customers a service as up-to-date and as modern as the store itself — and, in addition, to provide accurate mechanical control of sales by departments.

Stores everywhere are modernizing and setting up definite appropriations in their budgets for the progressive replacement of old or obsolete equipment and in this way bringing their store systems up to date with new National Cash Registers or National Accounting Machines.

Why not let our representative go over your system with you now? Liberal allowances for your old, out-of-date registers — small convenient payments without a finance charge. A telephone call to our local representative will bring this service to you without cost or obligation.

THE NATIONAL CASH REGISTER CO. OF CANADA LIMITED
Head Office and Factory, Toronto; Branches in all Principal Cities.

CASH REGISTERS — TYPEWRITING-BOOKKEEPING MACHINES — POSTING MACHINES—BANK BOOKKEEPING MACHINES—ANALYSIS MACHINES — CHECK WRITING AND SIGNING MACHINES — POSTAGE METER MACHINES — CORRECT POSTURE CHAIRS

COFFEE
COFFEE
STEAKS
CHOPS
WAFFLE SHOP

Company Reports

Donnacona Paper

Donnacona Paper Co. reports an operating profit of $285,003 for 1936 compared with $206,991 in the previous year. After payment of bond interest, the balance of $103,943 was transferred for reserve for depreciation and depletion.

The report states that the amount of newsprint produced in 1936 showed an increase of approximately 20,000 tons, and that sales of insulating board increased about 20% over sales in 1935. A small profit was also derived from the sale of sulphite pulp.

The balance sheet reflects the increased volume of business being handled by the company. Accounts receivable at the end of 1936 totalled $542,708, or more than double that reported at the end of 1935. Inventories show a small increase, as also does the value of pulpwood on hand. Among liabilities, the secured bank loans increased during the year from $96,900 to $351,800. The loans will be liquidated as a result of recent financing.

Profit and Loss Account
Years Ended Dec. 31

	1936	1935
	$	$
Profit	285,003	206,991
Deduct: Int. on bonds	181,060	65,840
Deprec. & depletion	103,943	147,981
Balance	......	‡6,740

‡Loss.

Working Capital

	1936	1935
	$	$
Current assets	1,474,388	1,073,002
Current liabilities	697,371	339,827
Working capital	777,017	733,175

Aldred Trust

Aldred Investment Corp. (Canada) statement for 1936 shows little change in earning power, but the market value of the investment portfolio has improved. Total income was $79,051, an increase of $1,500 during the year. This was not quite sufficient to cover expenses and interest charges.

At the end of the year, the company had investments of a book value of $2.4 millions, against which the market value was $1.5 million. At the close of the previous year, book value of securities held was $2.5 millions and the market value, $1,160,000,. During the past year, outstanding debentures declined to just over $1.6 million, and the equity back of the debentures as at Dec. 31 last was $94.19 for each $100 par value. This compares with $69.85 at the end of 1935.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Gross income	77,528	79,051
Less: Interest	74,561	78,442
Expenses	7,704	6,850
Exchange	960	507
Loss for year	5,697	6,748
Previous surplus	32,945	39,694
Surplus forward	27,248	32,946

Lake St. John Power

An increase in the mill operating ratio of 79.3% in 1935 to 90.1% of capacity in 1936, based on an increase of minimum capacity from 270 to 300 tons daily, was reflected in earning power of Lake St. John Power and Paper Co. for 1936. Operating profit is reported at $792,532 as compared with $537,578 for 1935. After providing for depreciation and bond interest charges, there was a surplus of $103,001.

The balance sheet reflects the capital reorganization carried out last year, whereby all arrears of interest and dividends were eliminated. The statement also shows that timber limits have been written down from $5 millions to $4 millions. Cash on hand and accounts receivable are appreciably higher, while other assets remain much the same. On the liability side of the balance sheet funded debt of $9.2 millions compares with $7.5 millions, $2 millions due and overdue interest on the 1935 statement.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Operating profit	792,532	537,578
Depreciation	249,694	219,079
	542,838	318,499
Bond interest	273,209	306,215
Debent. interest	144,627	183,430
Int. on back interest	......	100,838
Tax provision	22,000	......
Net earnings	103,001	271,983
Profit on bonds	......	195
		271,788
Previous surplus	......	*993,534
Surplus	103,001	1,265,322

*Deficit.

Working Capital

	1936	1935
	$	$
Current assets	1,965,387	1,405,306
Current liabilities	439,436	96,641
Net working capital	1,525,951	1,308,655

Tooke Bros.

Tooke Bros. Ltd. reports an operating loss of $37,760, and a total deficit after all charges of $57,616 for the 18 months period ended Dec. 31 last. This compares with a net deficit of $40,611 during the 12 months ended June 30, 1935.

The balance sheet does not show any material changes among the assets. The funded debt declined during the period from $209,700 to $195,700.

Income and Surplus Account

	18 mos. ended Dec. 31 1936	12 mos. ended June 30 1935
	$	$
Operating loss	37,760	10,010
Add: Bond Interest	20,651	14,587
Less: Misc. revenue	795	......
Net deficit	57,616	24,697
Previous deficit	*121,802	80,190
Less: Sundry credits	......	1,835
Add: W/o subsidiary	......	17,749
Deficit forward	178,418	120,801

*Adjusted.

Working Capital

	1936	1935
	$	$
Current assets	519,266	607,591
Current liabilities	61,515	62,486
Working capital	457,751	545,105

Asbestos Corp.

Asbestos Corp. net operating profit in 1936 totalled $776,002, compared with $321,769 in the previous year. After providing for an increase of $206,000 in the depreciation reserve and making provision for taxes of $63,000, there was a net profit after bond interest of $237,372. This contrasted with $27,226 in 1935.

If the amounts applicable to prior years were taken into account, the year's net profit was equal to $1.79 on the common, against 57 cents on a similar basis in 1935, when an amount of $61,811, applicable to prior years, was taken into account. Omitting these items, in 1936 net profit was equal to $1.60 on the common, against 12 cents in 1935.

Income and Surplus Account

	1936	1935
	$	$
Sales revenue	3,134,829	......
Misc. revenue	31,716	......
Gross income	3,177,545	......
General expenses	2,401,543	......
Net oper. earnings	776,002	321,769
Und. Bond Interest	18,429	41,854
1st mort. interest	3,549	......
Und Bond s. f.	9,332	......
Depreciation	331,310	125,000
Tax prov.	63,000	......
Balance	350,389	154,915
Sundry revenue	27,563	61,811
Balance	377,952	216,726
Gen. mort. interest	140,580	139,500
Net profit	237,372	27,226
Add: Prev. surplus	86,783	9,557
Surplus forward	324,155	86,783

Bell Telephone

Bell Telephone Co. of Canada reports earnings on the capital stock of $6.96 a share in 1936, as against $5.76 a share in 1935. Gross revenues from all sources were 5.3% higher at $38.5 millions. Balance available for dividends was just short of $5.5 millions, as against $4,475,000 in 1935.

The working capital position shows considerable improvement. The balance sheet shows an increase in the property account; an advance in investments; and a much stronger liquid position. There was a moderate increase in the outstanding capital stock, which was partially offset by a decline in the net funded debt.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Operating revenue	38,096,581	36,184,429
Other revenue	301,640	240,752
Less: Expenses	26,355,426	25,619,062
Taxes	2,812,000	2,462,600
Net revenue	9,230,795	8,343,519
Less: Interest, etc.	3,775,194	3,868,296
Net profit	5,455,600	4,475,222
Less: Dividends	4,704,143	4,661,620
Surplus	751,457	*186,398

*Deficit.

Working Capital

	1936	1935
	$	$
Current assets	11,463,996	7,637,696
Current liabilities	6,103,696	5,252,219
Working capital	5,360,300	2,385,477

Electrolux Corp.

Electrolux Corp. reports consolidated net profits for 1936 of over $3 millions after all charges and after deducting federal income tax and provision for surtax on profits. Per share earnings for the year amount to $2.45 as against $2.27 a share in 1935.

For the fourth quarter of 1936, net profits totalled $834,356, or 67 cents a share. This compares with $818,194, or 65 cents a share in the corresponding quarter of 1935.

	1936	1935
	$	$
Year:		
Net profits	3,025,688	2,807,804
Per share	2.45	2.27
Fourth Quarter:		
Net profits	834,356	818,194
Per share	0.67	0.65

Canadian Bronze

Canadian Bronze reports an income from all sources in 1936 of $317,111, compared with $280,663 in the previous year. The net income available for dividends totalled $207,328, an increase of approximately $25,000 over the previous year.

During the past year, the old 7% preferred stock was replaced with an issue of 5% preference stock. Accounts receivable advanced during the year from $171,908 to $220,433. The quoted value of marketable securities held by the company stood at $154,997 at the end of 1936 compared with $128,658 at the close of 1935.

Profit and Loss Account
Years Ended Dec. 31

	1936	1935
	$	$
Gross revenue	317,111	280,663
Less: Depreciation	29,860	29,860
Tax reserve	50,000	37,500
Legal fees	904	1,709
Directors' fees	1,771	1,808
Exec. salaries	27,248	26,612
Net income	207,328	183,804
Less: Pfd. dividends	40,725	50,400
Com. dividends	140,000	88,000
S. F. reserve	......	13,340
Surplus	26,603	32,064
Previous surplus	500,535	311,744
Add: Pref. stock S. F.	......	156,727
Less: Income tax, 1935	3,500	......
Pref. premiums	72,000	......
Discount on stock	22,500	......
Redemption exp.	9,940	......
Inventory res.	52,287	......
Surplus forward	366,911	500,535

Working Capital

	1936	1935
	$	$
Current assets	743,991	739,284
Current liabilities	251,314	201,049
Working capital	492,677	538,235

Maritime Telegraph

Maritime Telegraph & Telephone Co. for 1936 shows an operating revenue of over $1.8 million, an increase of about $50,000 over that reported in 1935. Net income available for dividends totalled $372,803 as against $340,210 in the preceding year. Owing to the increase in revenue, the company declared an extra dividend of 1% on the common stock, making a total of 7% for the year.

The balance sheet reflects a minor decline in working capital position. The investment in plants advanced during the year from just under $9.9 millions to over $10 millions. Other changes are relatively unimportant.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Total income	1,840,468	1,791,223
Less: Expenses	792,118	775,921
Depreciation	272,840	268,399
Taxes	203,890	191,406
Interest on debt	165,000	165,000
Other interest	23,988	23,735
Debt discount	9,829	26,552
Net income	372,803	340,210
Less: Dividends	359,980	321,707
Surplus	12,823	18,503

Working Capital

	1936	1935
	$	$
Current assets	626,875	739,961
Current liabilities	641,396	707,753
Working capital	*14,521	32,208

*Excess of liabilities.

Acme Glove Works

Acme Glove Works reports decline in operating and net profits during 1936, owing to keen competition from American manufacturers and an unusual amount of cancellations from western Canada during the late summer. The mild weather also contributed to a shrinkage in the sale of articles for winter sports an certain industrial activities.

Operating profits for the year amounted to $132,890, as against $191,229 in 1935. Net profit available for dividends totalled $58,719 compared with $105,715 in the preceding year.

Working capital position was shown well maintained during the past year. Cash on hand and accounts receivable were higher at the end of 1936 than at the close of 1935. The recapitalization carried out last year is reflected in the statement. The old preferred stocks were amalgamated into a new issue of $687,900 of 6½% stock, while the 341,570 shares of old B common were replaced by 491,570 shares.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Profit from operation	132,890	191,229
Directors' fees	280	180
Salaries of exec. off.	38,600	37,500
Depreciation	23,114	28,078
Income tax provision	12,177	19,703
Net for dividends	58,719	105,768
Preferred dividends	47,096	29,140
Common dividends	9,000	......
Surplus	2,623	76,628
Previous surplus	148,157	73,836
	150,780	150,464
Less: Adjustments	*9,992	2,307
Surplus forward	140,788	148,157

*Including $5,782 reorganization expense.

Working Capital

	1936	1935
	$	$
Current assets	947,515	914,765
Current liabilities	55,191	37,636
Working capital	892,324	877,129

Rolland Paper

Rolland Paper Co. reports a revenue from all sources in 1936 of $455,814. This contrasts with $444,579 in the previous year. After making the usual provision for depreciation and other senior charges, there was a net profit of $142,570 available for dividends. In the previous year, net available for dividends amounted to $134,312.

During the past year the company refunded the old 5½% first mortgage bond issue and replaced it with a new issue at a lower coupon rate. Other changes noted in the balance sheet were reduction in "other investments" from $150,043 to $20,906.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Net operating profit	435,496	422,361
Income from invts.	17,657	19,425
Misc. income	2,661	2,793
	455,814	444,579
Less:		
Exec. salaries	67,453	62,117
Directors' fees	557	693
Taxes	29,811	23,913
Net revenue	357,993	357,856
Less: Depreciation	100,000	100,000
Bond interest	115,423	123,544
Net profit	142,570	134,312
Less: Pref dividends	90,000	90,000
Common dividends	30,000	......
Surplus for year	22,570	44,312
Previous surplus	371,559	332,319
Add: Profit on bonds redeemed	10,237	5,069
Trans. from cont. res.	14,756	......
Less: Adjust. inc. tax.	2,479	4,267
Bond discount w/o	1,399	......
Bond prem. and exchange w/o	93,634	......
W/o contracts	......	875
Transfer to reserve	......	5,000
Surplus forward	321,610	371,558

Working Capital

	1936	1935
	$	$
Current assets	1,193,516	1,197,068
Current liabilities	177,947	159,068
Working capital	1,015,569	1,038,000

Chartered Trust

Net profit of Chartered Trust and Executor Co. in 1936 after all charges, including taxes and depreciation, was equivalent to $8.21 a share, compared with $7.03 a share in 1935. Dividends paid out of 1936 earnings amounted to $4 a share as against $1 a share out of 1935 earnings.

After payment of dividends and provision of $18,993 for repairs and rehabilitation of office premises, balance transferred to surplus account in 1936 was $23,086. In 1935, $40,250 was carried to surplus after providing for dividends and a transfer of $20,000 to investment reserve.

Investment certificates outstanding are $630,704 lower than at the end of 1935 while trust deposits are $540,864 higher.

Estates and trusts under administration are up slightly at $20.6 millions.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,200,000	61,619	6	6.16
1932	1,100,000	49,854	5	4.98
1933	1,100,000	48,218	..	4.82
1934	1,100,000	89,547	..	8.95
1935	1,100,000	70,250	1	7.03
1936	1,100,000	82,079	4	8.21

*After reserve for taxes, depreciation write-off and amount on account of goodwill and interest of business acquired by Montreal branch.

Public Liabilities and Assets

	1936	1935
	$	$
Inv't. certificates	833,930	1,464,634
Deposits	3,104,751	2,563,887
Total	3,938,681	4,026,521
Secured by assets:		
Liquid assets	3,195,880	3,226,880
Mortgages & int.	742,801	801,641
Net cap. ac. assets	1,238,206	1,215,120
Total	5,176,887	5,243,641
Estates, etc.	20,689,334	19,889,193

Montreal Trust Co.

Although net profits of Montreal Trust Co. in 1936, before provision for taxes, were $33,665 higher than in 1935, the amount available for dividends was $9,803 lower than in 1935 due to an increase in provision for taxes from $46,265 to $89,733.

Revenue of all departments of the company's business showed improvement in 1936 over 1935. Estates and trusts under administration increased during the year by $12 millions. Improved conditions and greater activity in the stock market resulted in an increase in transactions in the transfer department and higher earnings in this division.

Refunding operations by corporations has resulted in increased business for the company's bond department, outstanding issues for which the company acts as trustee showing a net gain of $30 millions.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned
	$	$	%	%
1931	4,500,000	554,723	17	27.7
1932	4,500,000	464,311	17	23.2
1933	4,500,000	354,653	16	17.7
1934	4,500,000	388,685	16	19.4
1935	5,000,000	395,908	16	19.8
1936	5,000,000	386,105	16	19.3

*Tax arrears and subscription to hospital deducted.

Creditors' Position

	1936	1935
	$	$
Trust funds	17,609,862	15,807,348
Secured by assets:		
Liquid assets	17,609,862	15,807,348
Capital acc. assets	5,167,536	5,111,431
Total	22,777,398	20,918,779
Estates, etc.	823,159,545	811,424,729

Halifax Shipping

From Our Own Correspondent

MONTREAL. — Cargo tonnage handled through the port of Halifax in January showed a falling off in total volume as compared with the same month a year ago. The inward tonnage was 94,154, as against 148,243 tons in Jan., 1936.

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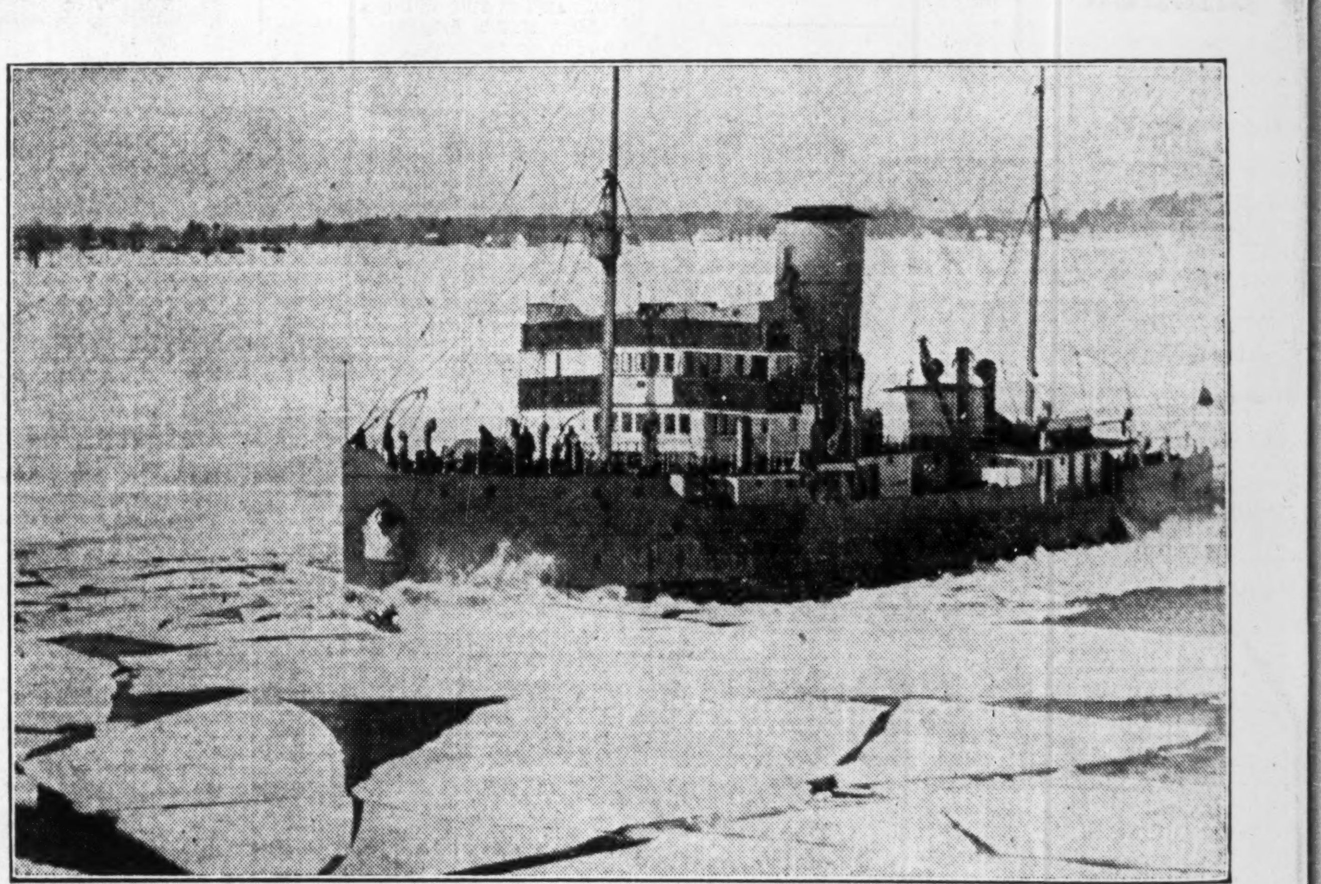

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A NATIONAL SERVICE A CANADIAN COMPANY

Syndicate Offers Deal On N.B. Power Plants

Give Civic Hydro Chance to Buy or Sell Own System

BONDS MATURING

From Our Own Correspondent

MONTREAL. — Consolidation of the privately-owned and publicly-operated utility properties in Saint John is seen as a possibility in view of the decision to hold a conference to discuss the merging of the distribution systems.

Eastern Securities Co., T. M. Bell & Co. and Irving, Brennan & Co., Saint John investment dealers, have secured an exclusive option from the New Brunswick Power Co., which enables them to make the following alternative proposals to the civic Hydro Commission of Saint John:

1. To sell to the city the electric light and power distribution system and the gas production and distribution system of the New Brunswick Power Co.
2. To buy from the city all of the assets of the Commission at a price and subject to conditions to be agreed upon.

Conditions of Sale

The proposal to sell to the city is subject to the fixing of a mutually satisfactory price, and agreeing not to sell or dispose of the distribution system for a period of 40 years during which time the Commission will buy all the electricity used, sold or distributed by it from the company's plant. The electricity will be sold to the Commission at 1.2 cents a kilowatt hour so long as the average price of coal used in the generation of electricity during any year is $4.70 a ton and a decreased or increased price of 1-10 mill for each 10-cent decrease or increase in the average price of coal per ton.

Substantial earnings for the Commission on the basis of the deal outlined are indicated in a letter sent by the syndicate to the commission. The Commission has indicated its willingness to hold a conference. At the moment no date has been set.

Amount Involved Obscure

No figures are available as to the break down of the New Brunswick Power Co.'s property account. Capital assets of the company are estimated at around $7.2 millions, but a large part of this is represented by productive facilities.

It is estimated that the gas production and distribution facilities have a replacement value in the neighborhood of $600,000 to $650,000; the electric railway system, $1.5 million; and the electricity and power distribution system, about $900,000.

Bonds Mature Early

If the syndicate is able to sell these assets to the Commission, the company will have no difficulty in redeeming its first mortgage bonds when they fall due on March 1. There is approximately $1.6 million of these bonds outstanding. No decision has been reached as to what steps will be taken to refund the bonds. The company's finances are not sufficiently liquid to handle the transaction. The chances are that the parent company, Federal Light and Traction, will do something about 'he maturing bonds in order to protect its own equity.

St. Lawrence Flour Mills Stock Split in Last Stage

From Our Own Correspondent

MONTREAL.—Conversion of St. Lawrence Flour Mills' 12,000 common shares of $100 par value each into 36,000 shares of no par value, has been covered by the issue of supplementary letters patent. Shareholders are being asked to surrender the old share certificates on or after March 1 to the company's transfer agent. For each common share now held, the holder will receive three shares of the new stock.

Winnipeg Electric Seeks Concessions

Abolition of the 5% gross earnings tax and modification of charges for paving and snow removal are the main changes sought by the Winnipeg Electric Co. in its street railway franchise.

Edward Anderson, K.C., president of the company, in presenting the petition to the civic transportation committee, stated that the company is prepared to spend $350,000 this year on a programme of rehabilitation if the taxation relief is granted. The plan involves repairs to several car routes and purchase of new buses. The proposed expenditure for 1937 would be part of a five-year rehabilitation programme costing a minimum of $1.5 million.

The company is also seeking a 25-year modern transit franchise, or an extension of the present agreement for the same period, with the city having the right to acquire the property at any time after reasonable notice.

Name A. E. Fisher Security Registrar

A. E. Fisher, Saskatchewan superintendent of insurance, has been appointed Registrar under the Security Frauds Prevention Act. He succeeds as Registrar J. C. Treleaven of the attorney-general's department.

Administration of the act from Feb. 15, 1937, is under the department of insurance instead of the attorney-general's department. It is understood that one reason for this is that Mr. Fisher is already responsible for administration of the Companies Inspection and Licensing Act which came into force in 1936. This responsibility is related to matters coming under the Security Frauds Prevention Act, which is therefore placed under the same administration.

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NEW APPOINTMENT

Announcement has been made by The Ardiel Advertising Agency Limited, of the opening of their new branch at Oakville, Canada, under the management of W. A. Chant.

Canada Cement Planning Dividend

$1 Quarterly Is Promised on Preferred If No Setback

From Our Own Correspondent

MONTREAL. — Quarterly dividends of at least $1 a share will be continued on the preferred stock of Canada Cement Co. this year "barring unforeseen disturbances," according to a statement made by J. D. Johnson, president, at the annual meeting of shareholders.

In discussing the matter of dividends and the general condition of the company, Mr. Johnson said in part:

"Your directors felt justified in declaring a dividend of $1 per share on the preference shares payable March 20. I have been asked to state whether or not a dividend of $1 per quarter will be continued. Of course, you understand that the question of the declaration of dividends is entirely a matter for the directors of your company. I feel, however, that I am justified in saying to you that barring unforeseen disturbances my belief is that at least $1 per quarter will be continued during the year.

Prospects Are Fair

"Notwithstanding the severe conditions under which your company has had to operate during the past six years, the manufacturing plants have been kept up to a high state of efficiency. Capital expenditures have been made where required to rehabilitate and modernize them in line with the latest technical developments in the industry."

Alberta School Trustees Seek to Refund Bonds

The Alberta School Trustees' Association has requested the Provincial Government to arrange refunding of the bonded debt of Alberta school districts at a lower rate of interest. The request was contained in a resolution passed at a recent meeting of the association. The debenture debt of school districts—town, village and rural—is estimated at $10.5 millions.

Most of this debenture debt, according to facts brought out at the meeting, bears 8% interest. The usual rate of interest on current bank loans, on the other hand, is 6%.

New Members Elected To Montreal Exchange

Recent elections to membership on the Montreal Stock Exchange include Alex F. Ross, of the firm of Kingstone and Mackenzie; and Matthew G. Ibbotson, who has acted as attorney for McCuaig Bros. and Co.

Elected to the Montreal Curb Market were H. H. Rath, partner in the firm of Thomson, Matthewson and Co.; John R. Donaldson, of Hickey, Donaldson and Co.; Matthew Ibbotson and Arthur C. Gwynne, the latter one of the senior partners of Jenks, Gwynne and Co., members of the New York Stock Exchange.

Income Tax Problems

Will you please advise me as to the amount of depreciation per annum which is allowed on an automobile for income tax purposes. Also, are any particular charges per mile allowed for use of a car in business?

The amount of depreciation allowed as a deduction from taxable income depends on the purpose for which the automobile is used. When use is purely personal, of course, no deduction whatever is allowed. It is only when use in business enters the picture that exemption may be claimed.

If classed as a commercial vehicle, that is, if used for business purposes only, 25% of cost will be allowed as depreciation in the first year and 20% in the following three years. Thus, at the end of the fourth year 85% will have been written off the original value of the car. No further allowance is made, if the car is kept a longer period.

In the case of a privately owned car used part time in business, depreciation is allowed at a rate of 25% in the first year, 15% in the following two years and 10% in subsequent years until the full cost has been written off. When a car is used only part time in business, however the full amount of depreciation is not allowed as a deduction from taxable income. An apportionment is made between business and personal use, and the exemption determined accordingly. For instance, if half the use of a car in any one year is for business purposes and half for personal, the department would pool operating expenses and full depreciation at the appropriate rate, and allow half that sum as an exemption.

The principle on which the deductions are allowed, of course, is that business should be credited with the wear and tear of the vehicle. Consequently, when a car is disposed of, if the sale price plus the amount of depreciation which has been allowed is not equivalent to the cost of the car, an adjustment is made in favor of the owner. On the other hand, if the sale price plus the depreciation allowed is greater than the original cost, the department may ask additional tax.

It should be kept in mind that the amount of depreciation is always figured on the cost of the vehicle to the owner, and further that exemptions apply to the owner of the car.

Allowance for operating expenses of the car are based on the same principle as depreciation. No expenses are allowed for personal use, with due consideration for outlay for business purposes. A mileage unit cost is employed when no other means of estimating the cost of operating a car is available. The allowance per mile varies according to the territory where the car is operated, and to some extent the size of the car. Generally speaking five cents a mile is considered a good average.

This is a regular feature of The Financial Post. If you are a subscriber your income tax problems will be answered here.

Fleet Aircraft Income Shows Small Gain in 1935

From Our Own Correspondent

MONTREAL. — Fleet Aircraft's financial statement for the fiscal year ended Dec. 31, 1936, will show net income, before provision for Dominion and provincial taxes, of over $45,000 as against the comparative figure for 1935 of $40,874.

The report will show a strong current position, with current assets amounting to over $400,000 against current liabilities of $60,000. Of the current items, over $300,000 represents cash and of this amount $100,000 is to be spent on improvements and extensions at the company's plant at Fort Erie, Ont.

Toronto Trading In United Oils

Company Has Varied Interests and Assets

United Oils stock has been called for trading on The Toronto Stock Exchange.

United Oils, incorporated with a Dominion charter in 1918, has an authorized capitalization of 3.5 million shares, no par value, of which 2,530,000 are outstanding.

The property consists of 12,000 acres in Foremost and Forty Mile Coulee area on which one well, Foremost Gas, has returned, $46,007. The company has a contract with Canadian Western Natural Gas to take 30% of all the gas used from this field at 8 cents per M. cubic ft. Other holdings consist of 100 acres in Turner Valley field, 80 acres in the Aldersyde area, 160 in Pekisko, and 160 in the Watson structure. The company has also an interest in a gas well and leases covering 4,000 acres in Montana, and an interest in 499 acres in southern Alberta. In addition, the company has 1,280 acres in the Skiff field under contract with Devenish Petroleum Co. Royalty assets are 5% in B. & B. well, 4% in Westside, 2½% in Newfold, 12½% in Associated Oil & Gas, and 12½% in Baltac.

In a balance sheet as at March 31, 1936, investment account carries shares of other companies of market value, principally Imperial Oil at $64,178. Drilling machinery and equipment is written down to $1, and cash and accounts receivable are carried at $4,318.

From surplus assets, United Oils made a distribution of $4 a share in 1929 on the $1 par value stock of the old capitalization. A dividend of 5 cents per share was paid in 1930, and also a distribution of one share of Devenish Petroleum for each United Oil held.

Stadacona Rouyn Mine Boosts Mill Production

From Our Own Correspondent

MONTREAL.—Stadacona Rouyn Mines has stepped up building operations from 200 tons to 225 tons daily. Mill feed is now being taken from stopes and development block on the 300- and 450-ft. levels.

Production to the end of January amounted to approximately $65,000.

Ford Declares Dividend Of 25c Payable March 20

Ford Motor Co. of Canada has declared a dividend of 25 cents a share payable March 20 to shareholders of record Feb. 27.

The company announced last November the intention to pay regular quarterly dividends at the rate of $1 a year, and directors declared a 25-cent dividend payable Dec. 16, 1936.

Statement of

The Acadia Trust Company

For Year November 30th, 1936

ASSETS

Capital Account:		
Government and Provincial Bonds	$ 358,796.00	
Government Guaranteed Bonds	235,394.90	
Municipal Bonds	137,601.25	
Other Bonds	46,039.12	
Stocks	1,441.50	
First Mortgages	113,011.32	
Cash, Truro and New York	44,443.30	
		$ 936,727.59
Guaranteed Funds:		
First Mortgages Principal	$ 46,015.95	
Interest Accrued	401.00	
Amount of loans secured by Bonds and Stocks	78,894.79	
Book Value of Bonds and Debentures	703,905.67	
Accrued Interest on Bonds	8,388.80	
Cash on Deposit in Chartered Banks	19,851.96	
		$ 857,458.17
Estates, Trusts and Agency Funds		5,768,193.04
		$ 7,562,378.80

LIABILITIES

Capital Account:		
Capital	$ 200,000.00	
Reserve	600,000.00	
Reserve for Taxes	10,000.00	
Sundry Accounts Payable	4,439.05	
Profit and Loss	122,288.54	
		$ 936.727.59
Guaranteed Funds	857,458.17	
Estates, Trusts and Agency Funds		5,768.04
		$ 7,562,378.80

PROFIT AND LOSS

Cr.		
Balance at credit November 30th, 1935	$ 84,263.15	
Interest, Commission, Fees, etc.	88,704.21	
		$ 172,967.36
Dr.		
Expense Account	$ 30,678.82	
Dividends	20,000.00	
		$ 50,678.82
Balance at credit Profit and Loss Account, Nov. 30th, 1936		$ 122,288.54

I have audited the Books and Accounts of The Acadia Trust Company for the year ending November 30th, 1936. I have also examined the Bonds and Vouchers and have had the loans verified. I certify that the above Balance Sheet shows the correct state of the Company's affairs according to the best of my information, and the explanations given me and as shown by the Books.

E. H. ABBOTT, C.A., Auditor.

Sparkling New!
FORD V-8 for 1937

New Style and Beauty—Rich Appointments

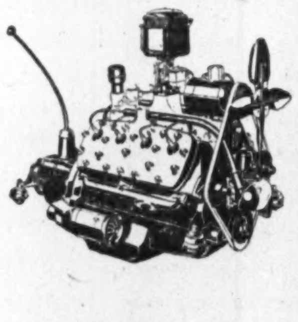
Every appearance feature of the new Ford V-8 sparkles with new beauty. From grille to tail light . . . outside and in . . . that quality look invites you. Front end is distinctive with headlamps streamlined into fender aprons. Modern lid-type hood hinges at the back. Larger luggage space is reached from rear. Slanting V-type windshield opens. Interiors have new tailoring and trim. Starter button on new instrument panel. Parking brake lever at left under panel.

New Riding Comfort—Improved Centre-Poise Design

The new Ford V-8 rides even more smoothly. Centre-Poise design has been improved by easier action of long tapering springs with pressure lubrication. New shock absorbers which are adjustable for various road conditions add to comfort. New methods of mounting body and engine, and other refinements, combine to make it a quieter car. The compact Ford V-8 engine permits more room in the body for passengers and luggage. A single ride will make you enthusiastic about the many extra comfort features that Ford has added this year.

New Gasoline Economy—Fine Performance

The improved Ford V-8 engine delivers its thrilling performance and acceleration with gasoline mileage so high that it sets a new standard of economy. Ford V-8 engine refinements include improved carburetion, new domed-top pistons, improved exhaust system, new self-lubricating water pumps in cylinder banks. Higher rear axle ratio also contributes to the new economy.



New Safety Brakes—New Steel Top—All-steel Body

New Easy-Action Safety Brakes, of the cable and conduit control type, give the "safety of steel from pedal to wheel." This entirely new braking system gives quicker straight-line stops with feather-light pressure on the braking pedal. Body is all steel — top, sides, floor and frame, welded into a single steel unit of great protective strength. Safety Glass throughout at no extra charge. In these and other features Ford follows the new trend to safety. Arrange with your dealer to take the new Ford V-8 for a trial drive.

TUNE IN FORD SUNDAY EVENING HOUR, 9 P. M., E. S. T. *Columbia Broadcasting System.*

$30 A MONTH, *with reasonable down-payment, buys any new Ford car under T.F.C. National Finance Plan.*

The Quality Car in the Low-Price Field

THE

TRUSTS and GUARANTEE

COMPANY, LIMITED

Statement of Affairs as at 31st December, 1936

ASSETS

Capital Account			
Office Premises and Safe Deposit Vaults (Shares, The Trusts Buildings Limited wholly owned)		$ 306,160.77	
Office Furniture		25,000.00	
Real Estate, held for sale		376,722.34	
Mortgages and Agreements for Sale—			
Principal	$484,197.05		
Interest	29,239.98		
		513,437.03	
Loans on Stocks, Bonds and other Securities		215,343.80	
Advances to Estates, Trusts and Agencies		49,731.76	
Can. Municipalities Bonds		9,396.82	
Other Bonds and Debentures		613,414.50	
Stocks		238,875.20	
Cash in Chartered Banks		141,266.25	
Cash on hand		4,733.50	
Other Assets		239,854.53	
			$ 2,733,936.50
Guaranteed Account			
Mortgages and Agreements for Sale—			
Principal	$6,554,431.24		
Interest	417,178.66		
		$ 6,971,609.90	
Loans on Bonds, etc.		260,808.03	
Dominion and Provinces of Canada Bonds		1,351,784.50	
Canadian Municipalities Bonds		367,282.32	
Other Bonds		409,728.81	
Real Estate, held for sale		399,635.48	
Cash in Chartered Banks		225,453.08	
Cash on hand		27,931.74	
			10,014,233.86
Estates, Trusts and Agency Account			
Funds and Investments			46,769,345.16
			$59,517,515.52

LIABILITIES

Capital Account			
Capital Stock—Subscribed	$2,570,000.00		
Fully Paid	$2,535,000.00		
Partly Paid	13,287.31		
	$2,548,287.31		
Profit and Loss Balance	155,076.42		
		$ 2,703,363.73	
Sundry Accounts Payable		5,089.90	
Dividends declared and unpaid, due Jan. 1, 1937		25,482.87	
			$ 2,733,936.50
Guaranteed Account			
Trust Funds for Investment		$ 7,046,355.90	
Trust Deposits		2,967,877.96	
			10,014,233.86
Estates, Trusts and Agency Account			
Estates, Trusts and Agency Accounts		$46,719,613.40	
Due to Company Funds		49,731.76	
			46,769,345.16
			$59,517,515.52

JAMES J. WARREN,
President.

C. S. HAMILTON H. A. HOWARD
General Managers.

Branches:
TORONTO BRANTFORD WINDSOR WINNIPEG CALGARY

In The Construction World

A shortage of skilled woodworkers was reported by speakers at last week's annual convention of the New Brunswick Retail Lumbermen's Association. This shortage, it was agreed, will be accentuated by the anticipated pick-up in the building industry in that province this year and next. Similar opinion has been expressed in various other parts of Canada and it seems certain will be heard more frequently as the real season for constructions opens with spring.

Unless relieved, any sudden building expansion, particularly in the housing field, is bound to be accompanied by considerable work, of which the ultimate owner cannot be proud. Shoddy construction is the almost inevitable price the country pays for any industry that is forced to face boom activity for a few years and a slump in the next cycle. High wages help to keep workmen attached to their trade during the slack periods but are insufficient to tide them over a prolonged depression. Consequently when the new building cannot longer be delayed, thousands of unskilled men have to be put to work.

* * *

Satisfactory Work Is Available Now

ONE lesson from such a situation, at least, is fairly clear. There will be more general satisfaction, both from the producers' and the consumers' standpoint, from that construction that may be undertaken before the real boom. There has been sufficient work in the last year to put new heart into the construction companies. It has permitted them to secure new equipment and to incorporate the newest methods. There has been some time to train new workmen. Certain it is that the Canadian construction industry in the moderate expansion period just ahead will be able to do a better job than was possible during the depression or may be possible in the advent of a feverish boom a year or two hence. And any building now, moreover, tends to iron out the violent ups and downs and postpones that final and unfortunate rush order period which stagnation invariably generates.

* * *

British Capital For Canadian Houses

WITH the completion of over three million new homes in Great Britain since the War, the building boom in that country in so far as ordinary private houses is concerned appears to have passed the crest. Capital available for such purposes is now seeking an outlet in other countries.

Indications are not lacking that some of this money will soon be available in Canada. Already several communities have been approached. So far definite concessions in the way of fixed assessment over a term of years or a guarantee behind any bond issues to be floated, have been mentioned. In the near future it seems certain that more proposals will be received by various Canadian communities and some definite policy in regard to them must be formulated.

Where there is a shortage of houses, and in many localities such appears to be the case, outside capital will be welcomed. Common sense demands, however, that the Canadian investor and builder be given equal treatment with that proffered any other group, and that safeguards be taken to avoid a repetion of those previous building disasters that have accompanied similar invasions of foreign capital. Bursting bubbles like that of the old York Loan scheme, which depressed Toronto building and real estate a couple of generations ago, are not good publicity.

* * *

Give Home Buyers Easier Payments

HOUSING payments should be spread over a longer period of amortization, Paul E. Stark, newly elected president of the National Association of Real Estate Boards, stated at St. Louis recently. This advice though primarily intended for United States consumption might also be applied in Canada.

If the purchase of housing is to be put on the same plane as that of other capital goods such as automobiles and refrigerators, then some form of more acceptable installment buying must be developed. The average house mortgage in this country runs for five years, and involves interest and principal payments every six months.

Usually only a small portion of the total cost has been paid off at the expiration of the original mortgage and the semi-yearly payments are too heavy to be financed without very considerable dislocation of the average budget. Mr. Stark would greatly extend the life of the mortgage and would have payments smaller and oftener so as to fit in more smoothly with the current income of the buyer. He states:

> "The principal cause of the recent epidemic of foreclosures and the enormous loss sustained at that time was this: it cost too much to maintain shelter. It costs too much today. I do not mean that the brick and the lumber and the labor cost too much, although that, too, has been a factor. I mean that interest rates were then, and are now, too high; that the period of amortization was then, and is now, too brief; and that taxes were then, and are now, unfair, unjust and confiscatory.
>
> "It is my deliberate judgment that the interest rate for ordinary homes should not exceed 4½%; that the period of amortization should be not less than 30 years and the tax rate not more than 1%. Under these terms a client could purchase a $5,000 house at a monthly cost of $30.25 per month."

The Dominion Housing Act, with its provision for monthly payment, including taxes, amortized over a period of 20 years but definitely guaranteed only over the period of a 10-year mortgage, is in line with the Stark suggestion. But while similar privately financed housing projects have been mooted, so far no large scale plan has yet been definitely announced.

Home Improvement Plan Will Tap Rich New Field

Big Renovation Loans on Apartment Houses and Duplexes Are Now Within Reach of Owners Who Wish to Remodel

Incorporation of apartment houses in the Home Improvement Plan opens up a big field for Canadian construction.

As originally proposed the scheme only covered private houses and improvement work would necessarily be confined to small contractor jobs. But the approving legislation now before the House of Commons permits repairs up to $1,000 per family unit and $1,000 for the building itself. In other words, provided the banks are willing, the owner of a 50-suite apartment can borrow $50,000 in individual loans on each suite and $1,000 on the building, or a total of $51,000.

Moreover on loans of this kind, or as matter of fact on any loan over $1,000, repayment may be made over a period up to five years and not within three years as was required in the original plan and as still applies on loans under $1,000.

Tap Big Field

Some indication of the potential field to be tapped by this broadening of the Improvement Plan is provided by apartment building figures over the last 10 years. The following table based on MacLean Building Reports statistics shows the trend:

APARTMENT BUILDING IN CANADA
(MacLean Building Reports)

1927	$25,981,800
1928	36,720,500
1929	22,527,200
1930	15,330,200
1931	16,202,200
1932	1,536,000
1933	903,900
1934	1,641,900
1935	3,249,600
1936	3,921,100
Average 1925-36 (10 yrs.)	12,801,450
Average 1930-35 (5 yrs.)	2,250,500

Many Old Apartments

These figures show a sharp falling off after 1931, and very little recovery to date. In other words the number of apartment houses under five years of age must be negligible in Canada and of course the average age will be much greater than five years. Possibly it will be 10 or 12. Such a situation undoubtedly indicates a big repair market. No building and particularly one that is occupied by tenants rather than owners can operate much beyond five years without being in need of considerable replacements.

Big Replacement Market

Walls will need repapering and repainting, additional electric wiring may be required. There will be roofing repairs and probably plumbing rearrangements. If competition is keen probably some wide scale modern modernizing treatment may be necessary. The whole plumbing equipment may have to be replaced, or a new system of refrigeration, elevators or heating installed. Complete new exterior treatment of the building or radically new interior designing may be in order.

In New York City a farsighted woman, outgrowing her position as an interior decorator, started a specialized business of redesigning old apartments. Old blocks were taken in charge, and with a few simple structural changes and plenty of contrasting paints and floor coverings vacancies were changed to waiting lists and rents increased up to 100%.

Many apartment owners have long realized that their buildings were becoming obsolete but with rents barely balancing overhead there was no capital left for improvement. There was also fear of a sudden exodus if rents were raised even if preceded by some needed improvement. But in most Canadian cities there is a different situation today.

Rents have either been increased or are on the verge of moving upward. And there is going to be no wholesale out-trekking of tenants because there is not a wide choice of vacant apartments at the present time.

This broadening of the Home Improvement Plan to include apartments comes at the opportune time. The natural moving date in this country and many others is around May 1. Renovations will probably be made just before or just after that date. Where private capital is short but the building a good risk, the owner would seem to be in a favorable position to avail himself of one of the Improvement Plan loans. Of course, such an owner will be subjected to the same investigation as the private house owner in similar position. Taxes must be paid up to date and there must be no arrears in mortgage or bonds if the bankers are going to advance the money.

The size of the loan now proposed to apartment owners is considered generous. It is quite possible to build a fireproof apartment of fair size, for as low as $2,500 per suite. The thousand dollar loan maximum therefore would be equal to about 40% of the original cost. For such an outlay very considerable alterations and improvements would be possible.

What is Included

Just what will be included in approved work under the loan, however, is not yet clear. In private houses the loan will cover only permanent fixtures, equipment that goes with the house if sold. This bars refrigerators and stoves. But these will probably be two of the main items that the apartment owner will want to include.

Recent broadening of the Home Improvement Plan will also, of course, apply to the small apartment class such as duplexes, and three and four family buildings. When The Financial Post made a survey last fall of the construction field to be opened by the H. I. P. it was soon apparent that many owners of large houses would be interested in securing capital to change their dwellings into small apartments. The $2,000 maximum, as originally proposed, however, was a stumbling block. Changes would probably cost considerably in excess of this amount.

Now the limit is to be raised very considerably and time of payment extended to five years. If a duplex is planned then $1,000 for each apartment is possible and also $1,000 for the main structure or a total of $3,000. If the original building is large enough or if there is sufficient ground attached to make it large enough, then $4,000 is available for a three family apartment and $5,000 for a dwelling of four units. Such an amount of money should be ample to provide the additional bathrooms and kitchens necessary as well as for the main structural changes and the additions of a few extra rooms.

Gypsum, Lime Expects Business Improvement

From Our Own Correspondent

MONTREAL.—Gypsum, Lime and Alabastine (Canada) anticipates considerable volume of business for the present year, according to statement made to the shareholders at the annual meeting by Hon. H. Cockshutt, president.

B. Gordon Cockshutt and M. Andrew were elected to the board of directors, replacing R. E. Haire, of Paris, Ont., and William Armstrong, Winnipeg.

Says Taxation Is Throttling Real Estate

House Owner Takes Issue With Former Civic Official

RENT PROBLEMS

Editor, The Financial Post:

I read the letter from F. H. Bell of Halifax, in defense of the present system of real estate taxation, with considerable interest. This is the first endorsation of our present system that I have come across and I am sure Mr. Bell represents a microscopic minority who would support the present system.

Many of the statements made by Mr. Bell were perfectly true 20 years ago, but do not apply today. He states that "Every increase in taxation was followed by an increase generally of a greater amount in rent". That may have been true, and probably was true years ago, but has not been the case during the last five or six years. Rents have tumbled and taxation has increased.

Landlord Fleeced

During the depression, people doubled up and sublet rooms in their homes, and the landlord finally was reduced to the position of having to take just what he could get by way of rent for his property. The condition is very bad even today. In the city of Toronto there are still about 100,000 with their dependents on relief. These represent about 25,000 households where the owner of the property occupied, probably does not secure enough return to even pay his taxes.

Most Toronto properties that were built more than five years ago will give practically no return on a rental basis over first mortgage interest and taxes. Quite a racket has developed in this connection. People on relief keep on moving around. They get the Neighborhood Workers to pay the first month's rent and then they pay no more but stay in the house until they are ejected. This means that they get at least two months' occupancy for one month's rental, because you cannot eject a person until he is at least a month in arrears. So the merry-go-round goes on, but the city still gets its pound of flesh.

Appeal Offers No Relief

Another very unfair situation, as far as real estate is concerned, is the very arbitrary attitude taken by the Court of Appeal. For example, I have a four-family apartment in which I originally invested $10,000 of my own money. During the last three years I have had an average loss of $200 per annum without taking any depreciation into consideration. I appealed last fall and employed eminent counsel to see if I could not get some relief from taxation by way of reduced assessment. The assessment was confirmed. Taxes on this property about four years ago were $725 per annum, now they are nearly $800.

Real Estate Strangled

There is no doubt whatever that taxation is strangling real estate. It is no longer an investment. While there is a certain amount of building going on, a large percentage of it is contract building where people are building new homes for themselves with no thought of renting or selling. Where builders have built on speculation, they, in many cases, lose heavily.

Practically all citizens will agree unanimously that income tax is one of the fairest methods of taxation in existence. The man who has the biggest income pays the largest tax. When you come to real estate you pay a heavy burden of taxation whether the property is productive or not and if you cannot pay the tax they even confiscate your property.

Not content with the present excessive taxation, regardless of whether a property is productive or not, city authorities are now going one step further and forcing owners to keep property in a high state of repair.

Toronto Property Owner.

Minneapolis-Honeywell Acquires Nat. Regulator

Minneapolis-Honeywell Regulator Co. announces an agreement to acquire control of the National Regulator Co., manufacturers of pneumatic controls.

National Regulator Co. have been established for over 35 years and have installed many elaborate air operated control systems for heating, ventilating, and air-conditioning in many of Canada's fine buildings, states Thomas McDonald, vice-president, Minneapolis-Honeywell Co. They also have considerable export business, particularly to Great Britain. Besides air operated equipment they manufacture Metaphram Regulators for heating boilers and other heating specialties.

By this acquisition Minneapolis-Honeywell is now in a position to offer a complete line of either electric or air operated instruments, or a combination of air and electrically operated mechanism through electric-pneumatic switches in connection with dampers or electric motors.

National equipment will be manufactured in the Toronto plant of Minneapolis-Honeywell and production will be started as soon as the necessary equipment can be installed.

Bus Ruling Appealed

From Our Own Correspondent

MONTREAL. — Maritime Transit Ltd. will appeal the decision of Chief Justice Baxter of the New Brunswick Supreme Court, who ordered a decree, restraining their buses operating in Saint John and the Parish of Lancaster in competition with the electric street cars operated by the New Brunswick Power Co.

Dominion Housing Loans Add Over Thousand Homes

Total of new housing loans under the Dominion Housing Act continues to grow slowly. At the end of 1936, almost $5 millions had been advanced. This represented slightly over a thousand family units.

Under the act the applicant puts up at least 20% of the total cost of the home or apartment he is going to build. This proportion may be in the form of cash or a purchased lot. The balance is contributed by the Federal Government and approved loan companies on the basis of 20% and 60% respectively. On lower priced homes the Government will assume a slightly higher proportion of the risk. This combined 80% loan is advanced in the form of a 10-year mortgage at 5%. It is paid off in monthly payments including taxes, amortized over a period of 20 years.

Answering a question in the House of Commons the other day Hon. Charles A. Dunning, minister of finance, stated that the number of loans to Dec. 31, 1936 were as follows:

Province	No. of Loans	$	Family Units
Prince Edw. Isl.	6	32,364	6
Nova Scotia	94	420,737	96
New Brunswick	12	45,179	13
Quebec	231	2,233,394	467
Ontario	359	2,104,085	418
Manitoba	12	100,564	12
Saskatchewan	nil	nil	nil
Alberta	nil	nil	nil
B. Columbia	10	31,500	10
Total	724	4,967,823	1,022

Apartments Boost Total

It will be noticed that the number of family units compared with the number of loans is very much higher in Quebec than in the other provinces. This is explained by several apartments that have been erected under the act in and around Montreal. Two of these, it is understood, cost in the neighborhood of $100,000 apiece and would house a large number of families.

Following criticism of the legislation on the grounds that it was helping those well able to help themselves and also commercial ventures the authorities have been trying with some success to interest a larger proportion of prospective home owners in the $3,000 to $4,000 class.

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FILES - SAFES
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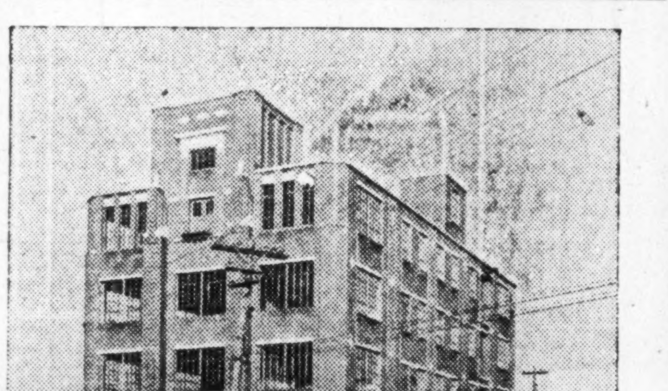

Modern Canadian Factory
FOR SALE
At Riverside, Ontario (Near Windsor)

Owing to concentration of activities in Toronto and Montreal there is for sale, at Riverside, Ontario (about four to five miles from Windsor and just across the river from Detroit) a splendid modern factory building. (See illustration.)

The property fronts on Riverside Drive and has a land frontage of about 200 feet. On the East side, running to the harbour line, it has a depth of about 444′ 6″ and on the West side, running to the harbour line, it has a depth of about 359′ 3″. Extending from the main building to the docks are wooden buildings one storey high, about the same width as the main building. Riparian rights and docks are included in the property.

The building has a frontage of 58 feet and a depth of 100 feet and is four storeys in height. It is air conditioned and heated by a system which evenly distributes heat in cold weather and cold air in hot weather.

The exterior is of rug brick and the basic construction is of concrete and steel. The plumbing is of the most modern type with brass and copper piping throughout. There is a new and very large electric freight elevator. On each floor, including the ground floor, there is a large wash room with toilets for men and women.

The main offices on the ground floor have two private offices on either side (four in all) and between the private offices, on each side, is a wash room and toilet with a tile shower. There is also, on the ground floor, a large vault and a rest room with wash room and toilets for women.

At Riverside, Ontario, there is available an ample supply of female labour (largely French Canadian although English speaking). For this reason this factory should be particularly suitable for a United States manufacturer desiring to locate a branch factory in Canada where an ample supply of economical female labour is desirable. The factory itself cost $160,000 to build (exclusive of the land) when building costs were much lower than they are today. No expense has been spared to keep it in first-class condition from the time it was put up, down to the present.

The entire property will be sold at a great sacrifice either for cash or upon mutually agreed terms, i.e., cash payment, the vendor taking first mortgage. For further information address—

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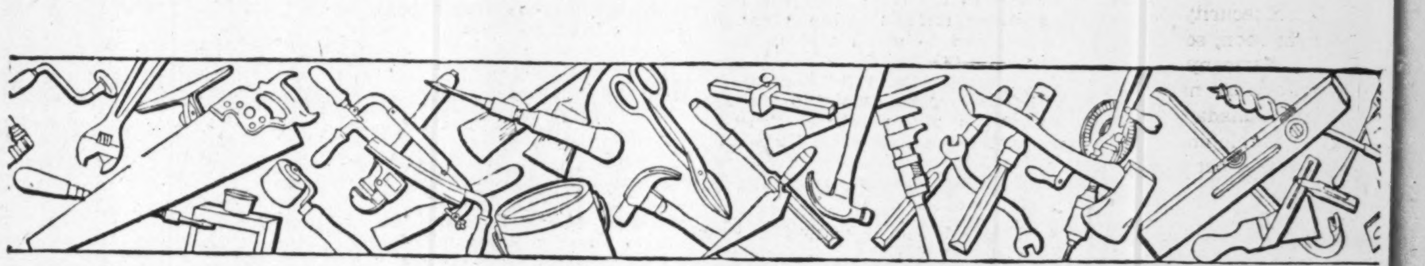

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THE FINANCIAL POST

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Immigration Is Factor In National Security

Britain Is Ready To Help Us Fill Our Empty Spaces

Canada's "Closed Door" Policy May be Invitation to Conquest by Land-hungry Peoples — We Must Decide Now if We Want British Stock

Pros and Cons of Lively Problem

By JOHN LANGDON

Again immigration has become a lively issue in Canada. But today immigration discussions emphasize a new and vitally important phase. For immigration into Canada has become a problem of Empire defense—of Canadian defense for that matter.

Speaking in the British House of Commons on Jan. 26, Rt. Hon. Malcolm MacDonald, secretary of state for the Dominions, said:

> "If we do not develop the undeveloped Dominion countries, someone else will."

With Italy, Germany, Japan and other "expansionist" countries demanding more elbow room for their overcrowded peoples, and building huge war machines to force a redivision of the world's area, it is little wonder that sober-minded statesmen in Britain and Canada are asking themselves "How safe is the Empire, how safe are the Dominions, so long as they are underpopulated, so long as they drift along with small population increases each decade, while land-hungry people in overcrowded lands listen to dictators who tell them that the cause of their woes is the selfishness of the British overseas nations?"

The problem was put neatly in these two sentences contributed to The Financial Post's "Next Five Years in Canada" series a year ago by the brilliant and farsighted Charlotte Whitton:

> "World security, and so world well-being, depend upon finding, and right soon, some solution to the pressing population needs of Italy, Germany and Japan. If the answer be the assignment of territory by nations possessing it, to administration under mandate, Canada can hardly escape the responsibility of bringing into development and occupation, on her own terms, and by population of her own selection, some of her vast tracts held out of use."

The present generation of Canadians need worry little about a possible attempt at seizure of this country by any ambitious nation across the Atlantic or across the Pacific. But, with world population still increasing, will the next generation be equally secure? The 10 million people here may occupy half a continent for a while and be safe in doing so. We may increase our population slowly (Canada's average gain in the 10 years 1921 to 1931 was 18.1%) but we cannot fill up this country's vacant land by natural growth. Without a heavy immigration movement our population is doomed to reach a limit of under 20 millions and taper off within 40 years. That is not a long distance to look ahead, and 20 million Canadians may not be able to hold Canada to themselves.

An Economic Problem

If immigration is a problem of Imperial and Canadian security it is also an economic problem. We have been told over and over again that we have built railways, canals, highways, public buildings, harbors, etc., for twice our present population; that we can scarcely continue to carry the burden of debt we have assumed to provide this superstructure without dividing the load over a larger number of shoulders.

It is, perhaps, also a problem in domestic unity. Last week the latest book of the great French writer, Andre Siegfried, appeared in London. It contained this statement, the view of a shrewd, friendly, detached observer:

> "Immigration has tended to make Canada less strictly British, perhaps, but indirectly more Anglo-Saxon, and relatively less French. If the present policy of shutting out immigration is continued—in 1934 it fell to 13,903—it will have the effect sooner or later of increasing the French percentage, perhaps rather quickly. This will create serious problems, far surpassing cold statistics. What will be the British reaction when the proportion of French-Canadians rises above 30%, and perhaps passes 35%? Racial minorities are treated benevolently when they are declining, for then they are not dangerous, but they arouse fierce antagonism when they are increasing.
>
> "I cannot picture the French-Canadians attaining the majority, but if they did the English would never be willing to accept second rank numerically. They would revolt. They might prefer to secede, who knows! This, I repeat, will not happen, but even a trend in this direction is sufficient to arouse a latent hostility, and bring about defensive measures."

Immigration, then, has many aspects, and it is very necessary that every citizen clarify his thinking on the problem, that the Government in Ottawa begin to shape a policy other than the present one of closing the doors to almost all would-be immigrants. In shaping its policy it has before it many domestic problems to consider. Drought, unemployment and a succession of unsuccessful settlement schemes are among them. But also it has before it the proffered assistance of Great Britain. That country last month prolonged and enlarged the Empire Settlement Act, and now offers $7.5 millions annually toward paying up to 75% of the cost of approved schemes of assisting Empire Settlement.

Revival of Issue

So let us, for a few moments, ponder the pros and cons of Canadian immigration.

Resumption of economic progress, it is said, must be preceded by the return of the spirit which sends settlers to occupy the unused lands of the world. That means, so far as Canada is concerned, lowering the bars to immigration in order that the vast areas of unoccupied lands from Halifax to Vancouver can be brought under cultivation.

Immigration has been a dormant issue in this country for more than a decade. There has been an occasional revival of interest. Seldom has it got beyond the conversation stage, as hitherto conditions within the country have been such that no Government would sponsor an "open door" policy, or even consider lessening the restrictions on the flow of new population into the Dominion.

Today conditions have changed for the better. Pressure is being brought to bear on the authorities in Ottawa and a full dress debate on the immigration question is scheduled for the present session of Parliament.

When Sir Wilfred Laurier said that "Canada was the country of the 20th century," he undoubtedly had in mind the same influx of population that built the United States into one of the most productive and richest countries in the world in a relatively short space of time. For a while it looked as if Sir Wilfred's prophecy would come true.

In the period up to 1914 an average of between 200,000 and 250,000 people entered Canada annually. They were attracted by the vast areas of unoccupied farm lands in the West. Homesteading was in full swing. Rich, productive land could be had by fulfilling the simple requirements of the Government.

Land hungry, they came from England, Scotland, North and South Europe, and especially from the United States. The latter were probably the best type. They had capital, equipment and a knowledge of Canadian farming methods.

Not all were farmers. Thousands came to work on the railways which were then in their great period of expansion. Afterwards they drifted to the cities to take up other occupations. New areas were opened up. Production increased rapidly. Unemployment was not a problem.

War Checked Influx

Naturally the flow of immigrants was restricted during the war, yet still they came in relatively large numbers from Europe and the United States. They went direct to the land in most cases.

When the war ended it was expected that immigration would be renewed on a scale larger than ever before. The demobilization of troops in the United Kingdom and Europe suggested immense possibilities. There were many thousands who wanted to start life anew and saw in Canada the promised land.

Economic readjustment in the Dominion during the post-war years was so severe, however, that the Government restricted immigration. The disappointment was so great that the railway companies even undertook to guarantee immigrants would not go to cities but to farms. This plan was carried out for a while, but for varying reasons the Government was forced to renew restrictions.

The best indication of the restricted immigration from 1921 to 1931 is seen in the census returns for the latter year, which show that the immigrant population in 1931 was 22.4% of the total population, as against 22.25% in 1921.

At the middle of 1931, when the last Dominion census was taken, the immigrant population resident in Canada totalled 2.3 millions, of which more than 51.15% was found west of the Great Lakes, about 3% in the Maritime Provinces, while Quebec had 10.9% and Ontario 34.9%.

Any thought of easing up the regulations was forgotten when the depression set in. The Government did the only thing possible—closed the doors.

Immigration figures of recent years show that Canada has been a closed preserve to the people of other countries. We have kept out immigrants at a time when we have more to offer the land hungry than any other country in the world. We have millions of acres of unoccupied arable lands, plenty of transportation facilities, both road and rail, and unexplored regions waiting for capital to develop them. We can supply all the elements necessary to the success of new immigrants: good lands; all the amenities and facilities of modern life; schools and universities; markets and marketing organizations; stable government; religious and political liberty; postal, telegraph and telephone services.

How long can the Dominion follow its policy of closing the doors to worth-while immigrants? Has the time come when the Federal Government should adopt a more farsighted policy looking to regulated and progressive development of the country's resources?

Can we continue to play the part of the dog-in-the-manger when other countries are looking about desperately for land on which to settle their surplus population?

C. W. Petersen, editor of the Farm and Ranch Review, who has devoted years of study to the immigration problem and has had wide experience at first hand in colonization work, sees the Canadian situation as follows:

> "Canada must follow the lead of other nations and cultivate a degree of economic nationalism and endeavor, as best she can, to create a wider market at home for her agriculture and industries. Her present abject dependence on overseas markets places her in a highly insecure and vulnerable position."

Whether or not Canada should open its doors is as much a matter of Empire and international concern as it is for the people already here. Sir Robert Horne, former Chancellor of the Exchequer, said not long ago that in the future countries might be in great danger of losing their territory unless it were adequately developed.

This has been brought home to Canadians by developments in Europe over the last two years. It is becoming more and more evident that if a country will not develop its resources along adequate lines then someone else must be given the opportunity.

"As the world develops," Sir Robert went on to say, "people will never be allowed to have great empty lands while other countries are overcrowded."

Canada is the last great area available for settlement in the temperate clime. South America and Siberia, too, are open for settlement, but they do not offer the same advantages as does Canada. Consequently the Dominion's "closed door" policy on immigration has come to have international importance.

Demand For New Policy

Canada cannot long assume an insular stand in developing her resources. She must take her place in the international economic structure. There may be difference of opinion on how she should go about devising a policy best suited to her needs, but there is strong support for a reconsideration of immigration and initiation of a new policy.

The Dominion Government is feeling its way carefully, keeping its own counsel and listening. What it hears will undoubtedly be used in steering the course when the full-speed ahead signal is given.

The great farming province of Saskatchewan has already raised its official voice. A year ago its legislative assembly called for a conference between the Canadian Government and that of Great Britain with a view to evolving a scheme "for the redistribution of the white peoples of the Empire." In the same province the Immigration and Settlement Convention, an organization supported by 36 boards of trade declared last September that the province was prepared to receive at least 5,000 British families in the next five years.

A revision of the immigration policy would have to be predicated on the views of three main groups—farm population, labor, and the large but unorganized group who have an interest in immigration from a sociological or ethnological point of view.

In recent years the farming population has been opposed to immigration because the price of their products was so low as to barely provide a living, so that any large inflow of settlers would have meant an increase in production and further weakening of the market.

Higher prices for farm products have lessened opposition. Moreover the farmer has an interest in recreating a normal market for rural properties. A comparatively limited demand for land would quickly be reflected in strengthened values all around so that the farmer is not without interest in seeing greater settlement.

Labor Viewpoint

Labor, broadly speaking, is opposed to immigration. It sees in unemployment an indication that our population is already so large that it cannot be absorbed by industry. It sees the demand for workers being still further curtailed by new machinery.

There can be no question of unemployment. Relief figures give us a clear picture, but relief figures cannot tell us how the situation today compares with periods of the past which were called prosperous; periods in which an aggressive immigration policy made little or no difference to the labor market. Sir Edward Beatty believes unemployment is being steadily reduced to a point where it may be considered normal.

With the recovery of business in the last two years there is, in fact, today a scarcity of skilled workers in certain lines. It is reported, too, that there has been a flow of trained men to Great Britain to engage in manufacturing war materials.

If this picture can be emphasized a good deal of the labor opposition to immigration may vanish.

The third group is represented by the "man on the street" who, not directly affected by immigration such as the farmer or laborer, still has very definite ideas on the type of people welcomed to this country.

There is in Canada a well-developed spirit of racial nationalism. The Canadian is not a cosmopolitan. He has well-developed dislikes for certain types of Europeans. Many would heartily oppose any policy permitting a larger flow of certain types of Europeans into this country. Their opposition may be based on religious, racial or political grounds.

It is well known that church authorities strongly oppose any lifting of restrictions which would permit the entry of nationals from countries whose political or religious ideas differ fundamentally from those now observed in Canada.

Rev. John A. Cormie, superintendent of Home Missions for the United Church in Manitoba, believes past immigration policies have resulted in replacement of British stock by European. In an analysis of individual areas in the West published in the September issue of Social Welfare, he points out that the last returns in census division No. 8 in Alberta showed that British population had declined by 6% while others increased by 31%. In Manitoba, outside the cities, the British stock decreased by 8,000 while others increased by 45,000. On the prairies as a whole the British increased 8% while others increased 36%.

Mr. Cormie points to the conclusions of Prof. A. R. M. Lower, of Winnipeg, who adapts Gresham's law of currency that bad money will drive out good money, to immigration. Cheap men, i.e., recent arrivals without work—he argues—will drive out dear men, those with a higher standard of living.

No Open Door

From this group the Dominion Government could expect no support for an "open door" immigration policy. On the other hand they should be the first ones to advocate a policy which would lead to an increase in British stock in Canada.

The strongest advocates of an extended immigration today do not, in fact, suggest a complete letdown of restrictions. They want Canada's waste spaces filled up. They may even argue that a limited number of men could be absorbed by industry, particularly mining, but they stipulate control of the number and the type to be admitted.

This attitude is well expressed by the Winnipeg Free Press, when it says:

> "We now know that the very high immigration figures, of which we boasted before the war, were due to an indiscriminate and mistaken policy of immigration. Many thousands of people were encouraged to come here who never became established and who either drifted down to the United States or went back to the countries from which they had come. The only people whom Canada could accept now would be land settlers and certain other special classes, including skilled workers who may be required."

The last sentence epitomizes opinion as to the kind of settlers Canada could welcome at this time—land settlers and certain classes of skilled workers. Obviously they would have to come with sufficient capital to carry them along until they could be self-supporting, as the Federal Government could not entertain the idea of advancing capital assistance while relief costs are so high.

There is no doubt that public opinion favors restricting immigration to people of British stock; those from the Northern European countries and the United States.

While the settler that might be secured from the northern European countries is of the very best type, there is a very limited field to draw upon. The Scandinavian countries are not overcrowded. Germany does not permit the export of capital and probably would restrict any large outward movement of population. Poland, Finland, Esthonia and other countries in the northern belt do not appear overly promising at this time. There is a popular prejudice against certain types from southern European, and especially from the Balkan and Slav countries.

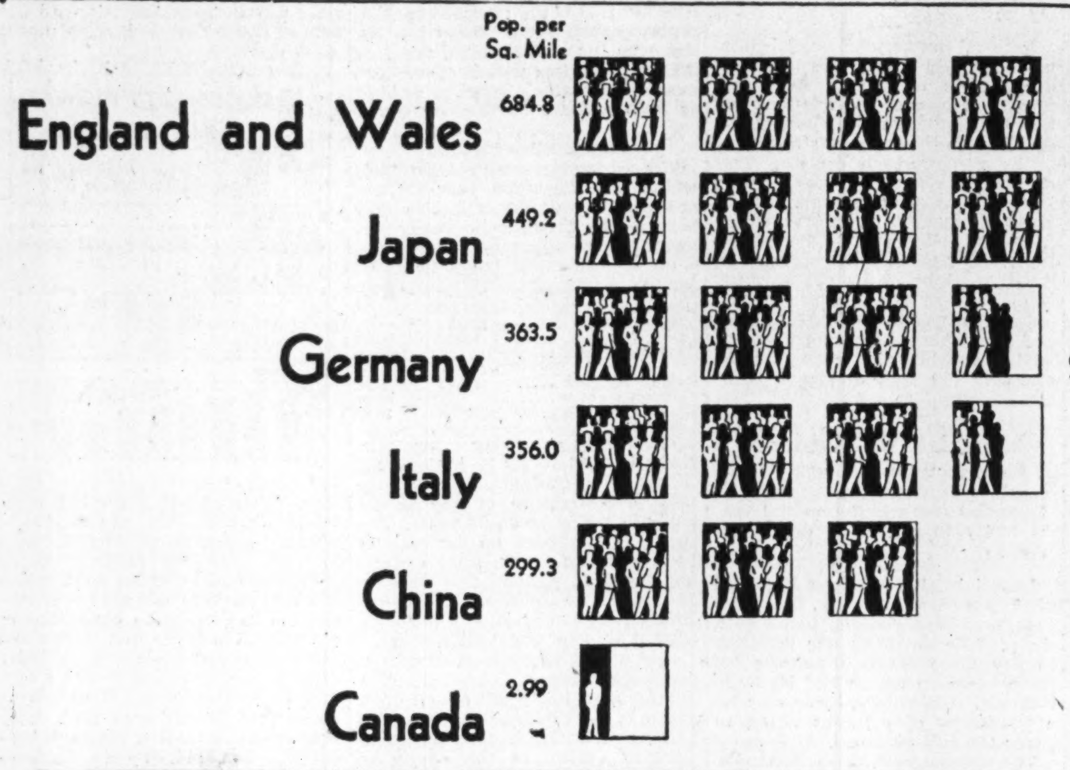
The United States appears to have good possibilities, particularly in the areas which have suffered from drought or floods.

Offer From Britain

Probably the greatest pressure to have Canada adopt a more moderate immigration policy comes from Great Britain, which with its large numbers of unemployed is extremely anxious to place these people in the Dominions. Only last month the British House of Commons approved a resolution which would enable the Government to contribute 75% of the cost of any migration scheme, against 50% at present. This was a preliminary step to extension for 15 years of the Empire Settlement Act of 1922, which expires the end of May.

In view of the prevailing opinion that further immigration to Canada should be restricted to land settlers and skilled workers, the opinions of Malcolm MacDonald, Dominions Secretary, are of considerable interest and importance. He sees the best hope for resumption of migration from Great Britain to countries of the British Empire on an extensive scale in development of secondary industries. Further, he does not believe new thriving population can be established under a purely land settlement policy.

It will be difficult to reconcile the objectives of the British Government with the views of the people in Canada. In the final analysis it appears that the only policy that would be acceptable to Canadians at this time would be an assisted land settlement scheme. To ensure success, or even partial success, it would be necessary to select prospective settlers with the greatest care if they are not to become failures or add further to the relief rolls.



CANADA'S ACRES

Each square representing 100 persons to the square mile, the chart above illustrates the density of population in Great Britain and European countries in comparison with Canada's sparsely populated area. The countries picked are those from which this Dominion may expect immigration in any redistribution of the world's population.

Trend of Immigration

The trend of immigration from 1909 to date is set forth here. The returns are set out in three classifications. Further, it is worth while noting that of the total immigrant population reported in 1931, approximately 52% were from the British Isles or sister Dominions, while those of alien origin made up 48%.

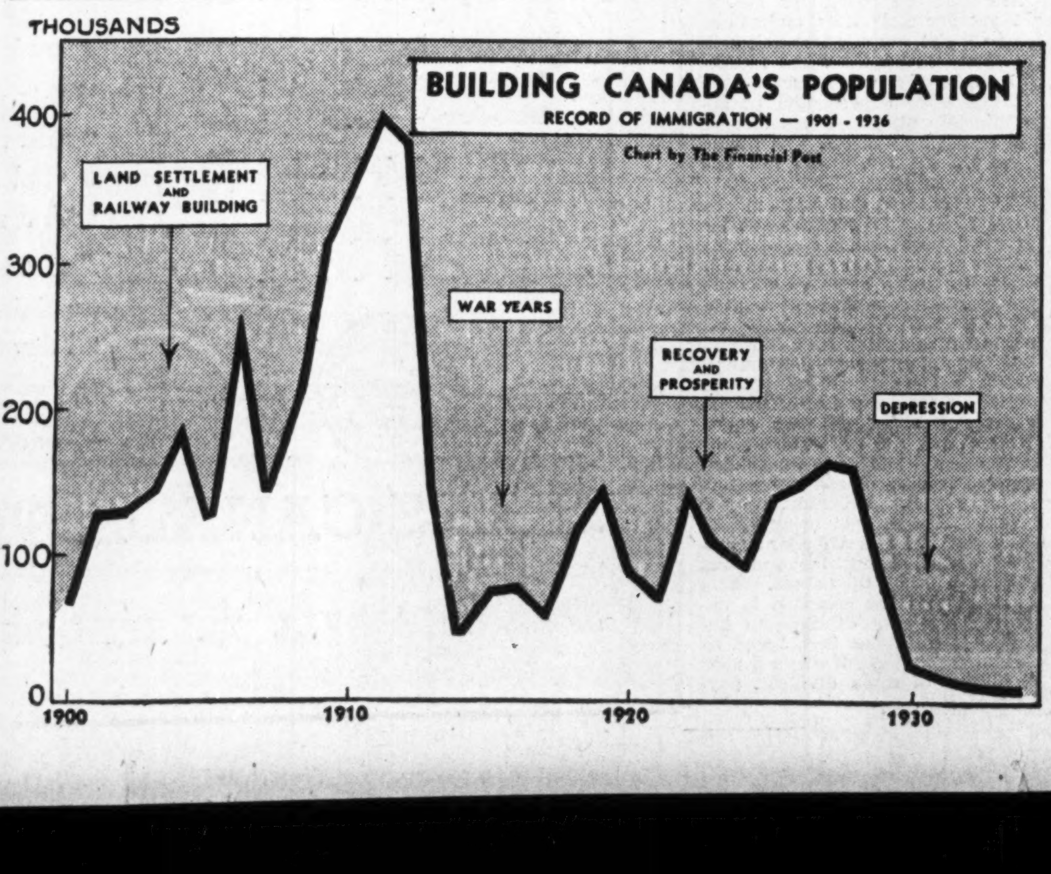
IMMIGRATION TREND

(Fiscal Years Ending March 31)

	From British Isles	From United States	From other countries	Total
1909	52,901	54,294	34,175	141,370
1914	142,622	89,892	134,726	367,240
1919	9,914	31,955	7,073	48,942
1920	59,603	40,728	8,077	108,408
1921	74,262	38,310	26,156	138,728
1922	39,020	21,670	21,634	82,324
1923	34,508	16,566	16,372	67,446
1924	72,919	17,211	55,120	145,250
1925	53,178	15,818	42,366	111,362
1926	37,030	18,778	40,256	96,064
1927	49,784	21,025	73,180	143,989
1928	50,872	25,007	72,721	151,600
1929	58,880	30,560	78,283	167,723
1930	64,082	30,727	68,479	163,288
1931	27,584	24,280	36,359	88,223
1932	7,088	14,297	4,367	25,752
1933	3,097	13,196	3,489	19,782
1934	2,260	7,740	3,903	13,903
1935	2,198	5,960	3,978	12,136
1936	2,049	5,121	3,933	11,103
1937*	1,410	2,835	2,760	7,005

*Half year ended Sept. 30, 1936.

Source—Department of Immigration and Colonization.



Immigration Moving Up

Immigration into Canada during 1936 rose 3.2% to a total of 11,643, according to official figures issued last week. If figures for the United States are excluded, the increase is more striking, amounting to over 13%. Immigration from the United States (which in recent years has amounted to almost half the total) showed a decline of 7.8%.

The figures show 2,197 persons came from British countries, a gain of 4.5%, 817 from Northern European races, a gain of 29.5% and 3,753 from oher races (excluding the U. S.), an increase of 15.4%. The grand total is 11,643, of which 4,876 came from the United States.

The number of returned Canadians from the United States in 1936 totalled 5,168 compared with 6,378 the previous year. Most of these were Canadian-born citizens.

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St. Lawrence Corp.

I hold some of the preferred stock of St. Lawrence Corp. and would like to know what its prospects are for 1937.

Improvement in the position of the newsprint industry has been reflected in the market value of St. Lawrence Corp. class "A" stock. The companies controlled by this corporation have improved their position individually and while there is no prospect of the parent company receiving any large profits from its holdings in these subsidiaries during 1937, still the outlook over a period of two or three years appears promising. On that account there has been considerable speculative interest in St. Lawrence Corp. which has resulted in a substantial appreciation in the market value of this security.

Fairchild Aviation

In view of the increased interest in aviation stocks, I would like to know what is the opinion regarding Fairchild Aviation.

Fairchild Aviation common is a newcomer in the Canadian investment field. The aviation industry has come in for considerable more prominence over the last year and the volume of business available to companies of this type has increased materially. To date, their record of earnings, of course, has not been particularly good, but if the anticipated increase in business materializes, as there is indication of it doing, then Fairchild Aviation and the other companies in this field should be able to report larger earnings.

Dosco

Please let me have some information on the earnings on the class "B" stock of Dominion Steel and Coal Corp. Is this stock well-regarded?

While Dominion Steel and Coal properties have been operating at a relatively high rate of capacity, no earnings have been reported on the class "B" shares. At the same time, it is anticipated the company may be able to establish an earning power on the class "B" stock. The market opinion is that the heavy industries are in for a period of expansion and consequent prosperity, and if this view materializes, then Dosco should benefit.

Sherbrooke Realty

Will you be good enough to let me know if the Medical Arts Bldg. has ever paid its dividend on the preferred stock, and what is the present market value of this security?

Sherbrooke Realty Corp., now owning the Medical Arts Bldg., officially states that no dividends have ever been paid on the preferred stock. The secretary of the company also states that as far as he knows there is no market for the preferred.

Dryden Paper

As a subscriber to The Post I would like to have a report on Dryden Paper Co.

Dryden Paper Co. has not recorded any marked change in its position in the last two or three years, earnings being sufficient to cover interest charges and depreciation. During the year ended Sept. 30,1936, there was a net profit after senior charges, of 23 cents a share in comparison with a deficit of 14 cents a share in 1935. Profits for Oct., 1936, were relatively even higher than those of the last months of the 1936 fiscal year, directors report, indicating a continuance of the improvement enjoyed by the company in recent months.

Canada Machinery Corp.

I have been advised to sell Canada Machinery Corp. bonds and preferred stock at present prices but I don't know where there is a market nor anything of the company's prospects. Can you help?

Canada Machinery Corp. informs us officially that it is continuously buying its own bonds at par and interest has always been paid regularly. After 1930 this company experienced a sharply reduced volume of sales and for three years from 1932 failed to earn its bond interest. For the year ended Jan. 31, 1935, however, there was only a small loss after bond interest and for 1936 bond interest was completely covered.

The report for the year ended Jan. 31, 1937 will not be available for a couple of months but we understand that this will show very considerable improvement with bond interest well earned. There would, however, seem to be no immediate prospect of dividends on the preferred stock. No dividends have been paid on the preferred since 1921 and none on the common since 1920.

Alexander Building

Kindly let us have a report on the income bonds of Alexander Building Corp.

Since April, 1932, Alexander Building Corp. has paid 1½% semiannually on its income bonds, with arrears at the present time amounting to 13½% The building is reported to be well occupied with rentals on a slightly better basis than those prevailing a year ago. In the last couple of years the company is reported to have met heavy reconditioning expenses out of earnings. Consequently with these nonrecurring charges out of the way, it is possible earnings may show an increase with larger distribution to the bondholders. The bonds are now selling at a substantial discount providing a large yield on the present basis. However, it should be borne in mind that there is considerable room for improvement in the real estate situation in Montreal.

Foundation Co.

In view of the prospects for greater building activity, we would like to have an expression of opinion from you regarding Foundation Co. of Canada, whose stock we are considering buying.

Foundation Co. of Canada has several million dollars worth of contracts on its books and prospects for the year ended April 30 next are considered favorable, as also are those for the succeeding 12 months. During the year ended April 30, 1936, the company reported net earnings of $91,412, practically all of which was charged off to depreciation. The report for the current year should show an improvement, but earnings will not represent the volume of business on hand as it is the company's policy not to take profits into the income account until the job is completed. Financially the company is in a sound position and if the anticipated improvement in building takes place, Foundation Co. of Canada should benefit.

Eastern Steel

Eastern Steel Products Ltd. common stock has been recommended to me as a good buy. Can you tell me how this company has been doing recently and what are the prospects?

While the report of this company for the year ended Nov. 30, 1936, is not yet available, it is understood that this will show very material improvement over that for 1935 when there was a small loss of approximately $1,500. Sales are understood to have increased very considerably and gains are continuing into the current year. Last year a dividend of $1 per share was paid on the common, but this largely came out of surplus. This year, it is expected that the company may be able to earn such a dividend.

The company is interested in the manufacture of all sorts of sheet metal products including barn roofing, barn siding, complete barns and equipment, garages, window sashes and frames, steel doors, etc. It should therefore participate in any improvement in general construction and also in the steady improvement in farm purchasing power which has taken place in the last two or three years.

B. C. Bonds

Please give me a report on British Columbia 5% bonds due 1949. I do not hold this bond for speculative purposes but rather for income. If Social Credit were introduced into the province in the near future would these bonds be affected as Alberta issues were?

There has been a very definite improvement in the position of British Columbia during the past two years. In the year ended March 31, 1936, revenue was of record proportions, amounting to $25.8 millions. For the year the province had a surplus on ordinary amount of $2.6 millions, exclusive of unemployment relief expenditures. If relief expenditures are taken into account the deficit was $6.2 millions. With business improving and unemployment relief expenditures declining, the Government has hopes it will be able to meet all expenditures out of revenue in the near future. The Government hopes to float a loan during the current year, and it is rumored that financial institutions have indicated willingness to take up a portion of the loan.

If Social Credit were introduced in the province in the near future it would probably result in a sharp decline in prices of British Columbia bonds. It might also result in cut in interest as in Alberta. There seems to be little possibility however of Social Credit gaining control in British Columbia.

Abitibi Uncertainty

Do you consider my Abitibi common one of the better risks for big profits on further recovery in the paper industry?

Abitibi Power & Paper Co. common shares are affected by receivership. In 1935, net earnings available for depreciation and bond interest amounted to $1.2 million, barely equal to the former depreciation charge, which would leave nothing for bond interest. There was a substantial improvement in earnings in 1936, but it is hardly likely that the gain was sufficient to cover both depreciation and bond interest. The bond interest is not being paid. In addition, there are arrears of over $30 a share on the preferred stock. Consequently, if the company is reorganized these senior securities stand to get the largest part of any new securities. The common is far distant from earnings and is in the least favorable position to negotiate for a settlement in any reorganization scheme.

Plans for reorganization appear to be progressing, since the company has arranged with the Ontario Government as to timber limits, and is also arranging power contracts on a new basis. However, it will be necessary to raise a substantial amount of new working capital if the company is to be taken out of receivership and this would put the common stock just that much further away from earnings. The outlook for the common depends largely upon whether the shareholders will be successful in retaining a substantial part of the equity in the company, and, further, upon whether earnings increase very materially Abitibi common is therefore one of the less certain gambles on recovery in the newsprint industry.

Int. Bronze Powders

I have some money to invest and among securities recommended is the common stock of International Bronze Powders. Is this company getting along all right?

International Bronze Powders, whose subsidiaries manufacture a complete range of aluminum and bronze powders for distribution in various parts of the world, recently increased the dividend on the capital stock, indicating that earnings in 1936 were on a larger basis than in 1935 when net profits totalled $424,808. In that year the common stock showed earnings of $3.02 a share as against $2.43 in 1934. This company has been in the bronze powder business for many years and has built up strong operating and sales position. Its record of earnings has been consistently good.

Geo. Weston Shares

What is the advantage, if any, of the preferred shares of Geo. Weston over the common? Why has the common been sluggish in a strong stock market?

The 5% preferred stock of George Weston Ltd. has definite advantages over the common. The preferred pays a dividend of $5 a share, yielding approximately 4.7% at about $105 a share. Selling around $18 the common shares paid a total return of 90 cents for 1936, or 5%. The preferred, however, has the first claim on earnings, which gives it a superior investment rating. Also, the preference stock is convertible into common, one share of preferred for five common at present, which lends it an additional attraction. In other words, the preferred offers superiority in the claim on earnings, and hence as to safety, but at the same time carries the privilege of conversion into common stock, which lends it similar attractions to the junior shares.

One reason for the comparative sluggishness of the common shares in recent months has been that distribution has been effected of some large holdings formerly owned abroad. The list of shareholders has been increased substantially which should broaden the market.

Thrift Stores

I would appreciate information regarding Thrift Stores. Do you consider it to be in a favorable position?

Last August Thrift Stores Ltd. carried out an amalgamation with Stop and Shop, for the purpose of securing centralized management and unified buying power. Operations are carried on under both names, and there is no change in the capital of either company. Operations and earnings of Thrift Stores in the last few years have not been very satisfactory due to the intense competitive situation in Montreal. The interim balance sheet dated Aug. 8, 1936, showed a bank loan of $25,000 and a decline in the surplus account. In addition the company had outstanding $29,888 in notes due Sept. 28, 1937. No dividends have been paid on the preferred stock for some time and until there is a marked upturn in earning power, it is not expected that anything will be done toward resuming payment.

N. B. Telephone

Will you please let me have some information regarding New Brunswick Telephone Co.? Is it well regarded, and have earnings been sufficient to cover dividends?

New Brunswick Telephone Co. report for 1936 will not make its appearance until toward the end of this month, but expectations are that the company will show increased operations and larger revenues. During 1935 the company reported a net profit of $309,241, which was equivalent to 53 cents a share on capital stock and compared with dividend payments of 50 cents a share. Working capital has shown steady improvement to $282,403 by the end of 1935 from the low point in 1931 when current liabilities exceeded current assets by $657,056.

Stop & Shop Bonds

I would like your opinion of Stop & Shop bonds, due 1947. Is there any possibility these bonds will reach or near par this year?

Stop and Shop bonds are far from reaching or nearing par in the current year. In the year ended Feb. 22, 1936, the company has an operating deficit of $30,251. In the previous year bond interest was earned 0.56 times before depreciation, but not earned at all after depreciation.

In the year ended Feb. 24, 1934, earnings were equivalent to 2.32 times bond interest after depreciation.

No doubt you are aware that operations of Stop and Shop Ltd. and Thrift Stores Ltd., were merged in August of last year. Under the arrangement, Thrift Stores acquired from Stop and Shop all its current assets, including inventories, and in effect took over the business of Stop and Shop, an operator of meat and grocery stores as a going concern. The assets of Stop and Shop acquired by Thrift Stores included no real estate, properties or equipment, these being leased from Stop and Shop. Thrift Stores assumed no liability in respect to the bonds of Stop and Shop. It is stated that rental from real estate, store properties and equipment will be sufficient to meet bond interest, depreciation and other charges. The management states that events since the amalgamation have fully justified the merger. It should be pointed out, however, that competition in the Montreal area continues to be of an unfavorable nature.

National Breweries

Please let us have your comments on the present position of National Breweries, whose common stock has been recommended to us.

National Breweries financial statement for 1936 is expected to reflect a moderate decline in sales and profits. However expectations are that the statement will show the $2 dividend on the common stock earned by a comfortable margin. This company is one of the largest brewing concerns in Canada and has its principal market in Quebec where it does approximately 70% of the trade. Financially it occupies a strong position, with net working capital of over $5.2 millions of which a large proportion represents cash and investments. Earning power is well established and since 1919 the company has paid dividends without interruption.

Imperial Oil Dividend

I see that International Petroleum is increasing its earnings. Does this mean that Imperial Oil is likely to pay more dividends now?

Imperial Oil is paying a dividend of $1.25 a share annually, but earnings have been running below $1 a share. The company can continue to pay these excess dividends for some years on account of its large reserves. Ultimately, there may be a possibility of earnings rising to cover the full dividend.

The company receives its major revenues from dividends paid by its subsidiary, International Petroleum Co. But this company, in turn, is not earning the full dividends it pays. Consequently, improvement in International Petroleum earnings will have to go first toward covering the dividends it is paying, rather than accruing directly to Imperial Oil. The outlook for the latter company appears to be for stability of dividends, and for some prospect of increasing earnings. However, in view of the fact that the dividend is already above the earnings rate it hardly appears likely that any increase is in sight.

Bruck Silk

Bruck Silk Mills common stock appears to be selling at a low figure and while contemplating a purchase, I would like to know just what is the current position of the company.

In 1936 Bruck Silk Mills reported net profit available for dividends of $2,475. This is the lowest figure reported since 1922 and was well under dividend requirements. As a result the company found it necessary to reduce the dividend rate from 30 cents quarterly in 1935 to 20 cents quarterly in 1936 and to the present rate of 10 cents quarterly. Prospects for 1937 are considered better by the directors, as the upward trend experienced in the last four months of the past fiscal year has continued into the present period with a further indication of higher prices. But it is hard to know what effect tariff changes will have this year.

Guardian Realty

I hold preferred stock in Guardian Realty Co. of Canada. I believe this company owns considerable freehold property in Toronto, mostly in office space on which there should be a good rental. During the past few years there have not been any dividends but the company appears hopeful that conditions will improve. I would appreciate any advice concerning the actual holdings of this company and the prospects for earnings on my investment.

Guardian Realty Company is the owner of the 20-story Royal Bank Building at the corner of King and Yonge Streets, Toronto. This building was completed in 1914 and with the land is valued by the company at approximately $2,750,000. It has been maintained in good condition with considerable funds spent on modernization each year. The company reports that practically all space in the building is occupied at present and that the two top floors, up to 1934 completely occupied by the Toronto Board of Trade have now been fully let to other tenants.

While occupancy is much improved from the low point of a few years ago, the company reports that rents have not improved to the same degree. However, they are understood to be generally rising from the low depression levels, but in the case of the Guardian Realty it is not expected that this improvement will be fully shown until the 1937 report or possibly a year later.

Although the report for 1936 is not yet available it is understood from official sources that this will show practically the same returns as that for 1935 when there was a net loss after depreciation of approximately $12,000. Gross income, less managing charges, was placed at almost $250,000. From this had to be deducted approximately $150,000 for taxes and maintenance. Interest on mortgages, provision for bad debts and refinancing charges amounted to approximately $75,000 leaving a profit of approximately $28,000 which, of course, was not sufficient to offset the $40,000 in depreciation.

At the end of 1936 the 7% accumulated preferred shares of $1 million were about $800,000 in arrears or about $80 per share. These shares, are understood to be very closely held and there has been no trading of any account in them for years. Probably, we are informed, they might bring $15 to $20 if sold through a dealer in unlisted securities but the company advises holding this stock, being confident that the situation is improving and will continue to improve. It maintains that, based on present indications, there is a good possibility of some dividend payment in 1938.

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Investment Analysis

Cockshutt Plow

Common Shares, Selling at Over 240 Times 1936 Earnings, Reflect Confidence in Improvement of Agricultural Income

Common shares of Cockshutt Plow Co., Brantford, Ont., must be ranked among the most interesting of all the securities dependent upon recovery of agricultural income for their future welfare.

One reason for this is that there are no other securities of the company outstanding except the 300,678 common shares of no par value. Another is that the company in 1936 reported earnings of seven cents a share on the stock, which, small as it is, represents a vast improvement over deficits which have run as high as $2.89 a share in the depression years.

Comparative Figures

The marked recovery from 1933, which was the worst year for the company in the depression, to 1936 is shown by the following comparative figures:

	1936 $	1935 $
Net operating profit .	348,682	*569,732
Less: Depreciation ...	187,595	......
Bank interest	118,361	......
Doubtful accts.	16,967	35,000
Inventory adjt.	......	265,000
Surplus for year	21,486	*869,732
Earned per share	.07	2.89
Equity per share	26.17	30.57

*Deficit.

The equity per share grew from $26.10 in 1935 to $26.17 in 1936, although it is substantially below the 1933 level because of the severe losses in the intervening years. The equity is calculated on the basis of book value of assets, after deducting goodwill, depreciation reserve, and current liabilities. The calculated equity compares with the stock market value of about $17 a share.

It is widely recognized, of course, that market values of common shares depend to an important extent upon earnings and dividends; more so apparently than upon such things as working capital or the equity in book assets which are not realizable as income. At about $17 a share, Cockshutt Plow is selling at over 240 times the earnings per share last year. On the other hand, it is selling at only about 5.1 times the earnings of $2.80 a share in 1929. There can be little doubt that the stock market has an eye to the earnings record of the past in appraising present possibilities.

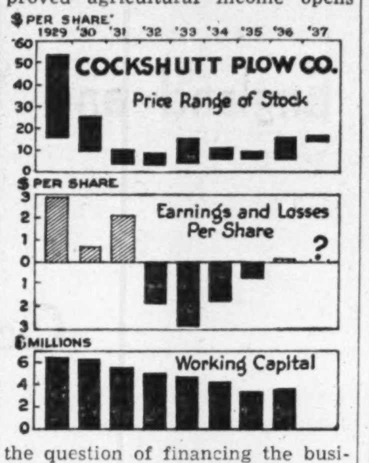
Great Expectations

No dividend is being paid at present nor is one likely in the months immediately ahead, but it is remembered that an annual rate of $1.50 a share was being paid in 1929 and 1930.

It is evident that the present market price of Cockshutt Plow shares is based on expectations that sales of farm implements will increase; that there is just the possibility that the company may get back to something like pre-depression earnings. The basis for this belief is that implement sales have averaged only about $10 millions annually in Canada over the past six years, compared with normal volume of about $30 millions annually.

The acuteness of the depression of agricultural income has built up a huge backlog of potential demand for new farm equipment. Moreover, prices of farm products, particularly grain, have risen sharply from a year ago. The supposition is, therefore, that if even normal crops are harvested in Canada at prices reasonably close to those now prevailing there would be an enormous flow of orders for agricultural implements. Cockshutt Plow would be expected to benefit along with other manufacturers of farm equipment.

The possibility that the company's sales will increase sharply with improved agricultural income opens the question of financing the business. The company's working capital at Nov. 30, 1936 was $3,543,000, which is almost $3 millions less than in 1929. On the other hand, it should be noted that the book values of liquid assets in 1936 are not as vulnerable to depression conditions as were those in 1929. Inventories and receivable accounts are in healthier condition. The company had a current bank loan of $1,717,000 among its current liabilities in 1936. With improvement in sales, the bank borrowings are likely to increase because installment sales are characteristic of the farm implement business. Any such rise in bank loans, however, would probably be offset by even larger increases in accounts receivable from the company's customers and dealers. The working capital is regarded as adequate, with the aid of bank credits, to finance substantially increased sales.



Plants and Markets

The company's main manufacturing plants at Brantford cover more than 33 acres. Machinery and equipment are in good condition, and assembly plants are operated like the continuous production lines of automobile firms. The company owns also the Frost & Wood Co. plant at Smiths Falls, Ont., and has a major interest in the Canada Carriage and Body Co., Brantford. Products of the three firms are marketed throughout the world, but the field for greatest recovery appears to be Canada.

One of the problems for the company that has arisen in conjunction with the initial recovery in agriculture is that the Dominion Governments has reduced the tariff on farm implements from 25% to 7½%. This has allowed more competitors into the Canadian market, although prices of farm equipment have not receded. The hope of the company, however, is that improved farm income will expand sales of equipment so as to improve the results of the manufacturer. The outlook for the company was summarized in the recent annual statement by Hon. Henry Cockshutt, president, as follows: "The recent increase in grain prices has created a much greater feeling of confidence, and further improvement in agriculture is now largely a matter of production. With favorable conditions in western Canada next season, our business should show a further improvement."

The confidence in the agricultural outlook is reflected in the price of Cockshutt Plow shares, which, however, may prove to be reasonably valued depending upon realization of the anticipated recovery of the farmer's income.

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January Traffic Records Rise

From Our Own Correspondent

MONTREAL.—Traffic handled at the Port of Saint John during January recorded a moderate increase over that recorded for the same month a year ago. The National Harbor Board reports a tonnage of 268,532, as against 251,476 tons in Jan., 1936.

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Calgary - - - - - - - 5.50
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Bank Chat

Home Loan Changes

OPINIONS of bankers on revisions to the home improvement loans programme vary all the way from modified approval to a blunt statement that they are "damn foolishness." It is pointed out that in allowing a loan of $1,000 for each family unit in "multiple family dwellings," the owner of an apartment house with 20 suites may obtain loans aggregating $21,000—that is, he could obtain that amount if he could find a banker willing to make it.

It is generally conceded that the bulk of the home improvement loans will be for relatively small amounts. Further, almost all of the business will be confined to a three-year repayment period. The bill as introduced into the Legislature provides for a repayment period of five years on loans of more than $1,000, but the feeling is that this will apply only in exceptional instances.

A number of the banks, while participating in the home improvement scheme, have never approved of the principle of the plan, holding that it encourages people to go into debt. Bankers have viewed installment buying askance, and improvement loans are regarded by some as merely installment purchasing of credit.

It is these who consider extension of the plan unsound. In their opinion lending larger amounts over a five-year period verges on mortgage business.

• •

Banks' Bonds

CANADIAN chartered banks have for some time past been the dominant influence in the bond market. But that influence has been centred largely on the short term market. The president of one of the banks told The Post last week that practically all securities held by his institution matured within ten years, more than half of them within five years. Other banks are in much the same position, although it would be safer to say, generally speaking, that between 80 and 90% of holdings are dated under the 10-year limit.

The banks carry securities in their statements at the lower of cost or market price. Hence, the sharp rise in bond prices in the last few years has substantially increased the value of security holdings, although this has not been reflected in the banks' monthly and annual statements.

Obviously, however, if and when the bond market eases, this margin between cost and market will serve as a cushion against a decline in published valuations. One prominent banker estimates that the banks could meet "certainly more than a five-point drop" in the bond market without any change being shown in security values as carried in their statements.

• • •

Statistically Speaking

SOME unusual, but none the less interesting, information was given out at the annual meeting of Irving Trust Co., one of the large New York banks. Whether or not someone had accused head office of lying down on the job has not been divulged. Apparently some such suggestion had been implied, however, for included with other information on the bank's activities are the following items: 10 million passengers were carried by elevators in headquarters building during 1936; five million pieces of incoming and outgoing mail were handled; four million incoming and outgoing telephone calls were made and 39 million cheques, drafts and notes were handled.

About the only information not supplied is the number of people who counted the elevator passengers and the telephone calls.

"Monopoly" Fan is Blamed For Removing Bank Notes From Osgoode Hall Vault

Worthless Bills Taken For "Money," Investigator Finds

ONCE STOPPED RUN

Toronto banker sleuths recently had the time of their lives trying to solve a bank note mystery. The case consisted in circulation of a number of bank notes, which were never issued, of a bank which never operated.

Investigation disclosed that the notes, printed half a century ago, had been stored away in a vault in Osgoode Hall, centre of Ontario's legal lights. Just how some 600 of the bills "escaped" from the musty vault after 50 years' confinement proved the knottiest problem.

The explanation finally divulged by one of the investigators is this:

Apparently someone with access to the vault turned up the old notes and, realizing they were worthless as actual currency, determined to put them to use as bogus money. He thought that the notes would be ideal when his friends dropped in to play "Monopoly." Unfortunately, youngsters at home were attracted by the notes and promptly appropriated some for their own devices.

The upshot of it all was that some of the notes went into circulation and for a time passed muster.

Stopped a Run

Notes of this same issue were used 43 years ago in a successful bluff which stopped a run on the Fort William branch of the banking house of Ray Street & Co. Allan C. Fraser, of Ottawa, then an office boy, relates the story in the Ottawa Journal.

"The bank, when it opened its branch, had acquired the safe of the old British Canadian bank in which was a mysterious compartment which up to that time had never been opened. About 1893 a run started on our bank and after several days of weathering the storm there came an evening when we were at the end of our cash.

"About six o'clock that evening the mysterious 'treasury' compartment was opened for the first time and the manager produced a parcel of new bank notes of the British Canadian Bank, in sheets of six or eight, uncut. It was the largest pile of 'stage' money I had ever seen. The manager likewise produced a large pair of shears, similar to those used today in a newspaper office, instructing me to cut these notes as carefully as I could, so that the edges would be even; to 'fluff them up' and to do them up into bundles of one hundred notes each.

Formidable Pile

"I worked away at the task until two or three o'clock in the morning—by this time I had about one-third or one-half of the notes cut—and fell asleep at the job. I had produced a very formidable pile of 'money.'

"In the morning my manager took these notes, put them on a ledge at the teller's wicket, with the back facing the public and with one or two bundles of Bank of Montreal $5 and $10 bills lying beside the lot, so as to give the public the impression that the whole pile was of like value.

"He met the public with a smile, with a wave of his hand toward this formidable pile of 'money' and an invitation to 'come and get it!' The bluff worked as magic; the run stopped . . . and our trouble for the next few days was to handle the returning deposits."

Notes Signed

The notes bear the signature of Daniel F. Burk, president of the British-Canadian Bank, although why he should have gone to the trouble to sign the bills before the bank was authorized to circulate them, is a problem which puzzles banking authorities.

The British-Canadian Bank was incorporated in 1882 as the North Western Bank with head office in Winnipeg. Capitalization was $1 million. In the following year, the name was changed to British-Canadian, and the head office switched to Toronto. Head office was again transferred a few years later, this time to Port Arthur.

The bank was required to show paid-up capital of $100,000 by 1885 to obtain a certificate authorizing it to do business. Further, if it could not show paid-up capital of $200,000 by 1886 its charter would be forfeited. The second provision was extended for a year. However, it is doubtful if even the first $100,000 was paid, as the bank was never granted a certificate.

ESTATES MANAGER

William J. O'Brien, who has been appointed manager of the estates and trusts department of the Chartered Trust & Executor Co., Toronto, has been an official of the company for 18 years.

Bank of Canada Weekly Statement

Only change of any size in the Bank of Canada's balance sheet during the week ended Feb. 10, was a further seasonal reduction in note circulation. In the last six weeks, circulation has dropped some $15 millions to $120.5 millions. A year ago this figure stood at only $88.4 millions. Comparison is misleading, however, as the note circulation of the chartered banks was cut at the beginning of the year.

Balance Sheet

	Feb. 10 $	Feb. 3 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	120,462,805	122,091,625
Rest fund	743,716	743,716
Dep.: Dominion	36,447,315	36,481,616
Banks	193,826,903	194,287,808
Other	969,009	820,704
Total deposits	231,243,227	231,590,128
All other liabs.	1,268,013	2,039,462
Total liabs.	363,817,760	366,564,931
Assets		
Reserve: Gold	179,474,599	179,459,203
Silver bullion	2,244,492	2,244,492
Res. in sterling and U. S.	14,149,192	13,562,445
Total reserve	195,868,283	195,266,140
Subsidiary coin	204,558	197,108
Investments:		
Dom. Govt. short	60,788,713	61,116,661
Other Dom. Govt.	103,215,545	103,289,651
Total invest.	164,004,258	164,406,312
Premises	360,070	351,542
All other assets	3,380,591	6,343,828
Total assets	363,817,760	366,564,931
Reserve ratio	55.69%	55.20%

Weekly Bank Clearings

	Feb. 11 1937 $	Change yr. ago %	Feb. 4 1937 $
Halifax	2,197,410	+11.2	2,270,926
Saint John	1,614,916	+13.6	2,040,811
Moncton	634,453	+ 9.0	768,955
Sherbrooke	488,797	+11.5	......
Quebec	3,614,912	+ 8.6	5,287,435
Montreal	103,313,783	+27.6	130,611,646
Ottawa	18,129,792	+21.7	24,357,837
Kingston	461,161	— 3.2	610,614
Peterborough	562,677	+ 8.5	519,015
Toronto	119,324,827	+ 7.7	168,964,534
Hamilton	4,341,242	+13.4	6,559,543
Kitchener	891,095	—16.1	1,206,164
Brantford	877,681	+23.7	1,048,439
London	2,335,490	+ 2.8	3,685,832
Chatham	556,264	+41.1	563,377
Windsor	2,805,264	+26.6	3,451,194
Sarnia	434,146	— 4.4	436,695
Sudbury	931,110	+23.4	935,958
Fort William	832,720	+78.5	943,340
Winnipeg	27,504,230	—42.5	44,089,073
Brandon	255,064	+35.3	304,254
Regina	2,988,764	+42.0	3,132,015
Moose Jaw	466,256	+ 9.1	501,436
Saskatoon	1,184,262	+10.0	1,304,513
Prince Albert	280,368	+13.3	327,313
Edmonton	3,340,465	+24.5	3,914,582
Calgary	6,737,674	+40.5	5,922,179
Medicine Hat	156,090	+22.5	......
Lethbridge	328,827	— 8.4	368,661
N. W'minster	493,131	—11.6	......
Vancouver	18,276,381	+21.3	23,359,885
Victoria	1,659,719	+17.2	1,880,433

Staff Changes

The Royal Bank has made the following staff appointments:

R. COMMONS, formerly accountant at Prince Rupert, to be manager at Burns Lake, B.C.

A. B. THOMSON, formerly accountant at Galt, to be accountant at Yonge & Richmond, Toronto.

H. K. WRIGHT has retired on pension following 38 years service with the bank. Mr. Wright was formerly inspector at the supervisor's department, Vancouver, and at head office.

May Devalue French Franc

International Currency Agreement Believed Threatened

The entire international currency stabilization agreement is in danger of collapse because of the inability of France to live up to its commitments. For some time, financial observers have been of the opinion that further French devaluation is almost inevitable. True, quotations for francs have hovered about 4.65 cents, midway between the limits set at the time of devaluation last fall. This has been achieved, however, only by the play of exchange stabilization funds. Rates for future francs, where the influence of the funds is not felt, have been at a substantial discount.

All efforts on the part of the French government to coax capital back to the country have proved unavailing. Hoarding continues as large as ever. Some funds are still seeking investment in outside markets, reflecting the lack of confidence prevailing in France. Even the most recent move of the government, jacking the discount rate of the Bank of France from 2% to 4%, is not expected to have much effect.

Loans Inadequate

In commenting upon the present situation, Whaley-Eaton Service states: "British loans to support the French exchange are not adequate and London urges that Washington should bear part of the burden—a loan to France. But Washington would not dare do this without approval of Congress. Moreover, Washington has not been able to secure satisfactory information about the interior economy of France. The French may have to put restrictions on exchange or devalue further. They intimate they will do one or the other unless given aid.

"Grave fears are expressed in London lest the French be compelled to institute exchange restrictions to prevent further exports of gold. If this necessitated the withdrawal of France from the quasi-stabilization agreement, the adverse effect on world financial opinion would be pronounced. It would indicate that even de facto stabilization had been attempted too early, and it would imply retrogression, rather than advance, in the whole area of stabilization.

May Revise Agreement

"In these circumstances, it is altogether unlikely that London and Washington would permit the débâcle. They would find some way to hold the French in line, even though they might radically have to change the terms of the existing agreement. The only change that would promise results would, apparently, be a further devaluation of the franc, not merely by the additional 4% now permissible, but to a new legalized minimum."

Royal Bank Opens New Quebec Branches

From Our Own Correspondent

MONTREAL.—The Royal Bank of Canada has opened two branches in the mining areas of northwestern Quebec, one at Val d'Or and the other at Arntfield.

Equipment for the branch at Val d'Or was trucked in over the snow from Senneterre, the nearest point on the C.N.R. main line, the 35-mile trip being made by tractors and trailers. Establishing the branch at Arntfield presented less difficulty because of more convenient railway service.

J. Stephen Chairman Hamilton Clearings

J. Stephen, manager of the main Hamilton office of the Bank of Toronto, has been elected chairman of the Hamilton Clearing House for 1937. Other officers are as follows: vice-chairman, T. P. Peacock, Royal Bank; committee, N. Evans, Dominion Bank, A. L. Woodrow, Bank of Nova Scotia, F. C. Ridley, Bank of Montreal.

Anglo-Canadian Telephone Calls Preferred For May 1

From Our Own Correspondent

MONTREAL. — Anglo - Canadian Telephone has called all outstanding 7% cumulative preferred stock for redemption on May 1 next at $55 a share and accrued dividends.

The company has offered present shareholders a new issue of 5½% cumulative preferred stock of $50 par value, in exchange. Application for exchange must be made on or before March 1 next.

Under the plan of exchange the holders of the old stock are offered one new fully paid share, 5½% cumulative preferred stock, and $2.50 in cash for each share of old stock held, plus a sum equal to dividends to accrue to May 1, 1937.

Burdened With Responsibilities

It is unfair to your friends or relatives to burden them with the responsibility of managing your Estate. This responsibility placed in the hands of a Trust Company, where an especially trained personnel lends its accumulated knowledge and experience to the management of the Estate, constitutes the greatest safeguards for your heirs.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto

J. F. HOBKIRK, Manager

Canadian Pacific Express Travellers Cheques Are World Currency

Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

Insurance Reports

Monarch Life

Assets of Monarch Life Assurance Co. increased $657,000 during 1936 on an all-time high of $12,634,806, it was announced at the company's annual meeting. Free surplus also shows an increase from the 1935 total, despite a writing down of book values of securities to a figure approximately $250,000 less than market quotations. This margin is available to provide for possible fluctuations in market values without reducing the available surplus which is now carried at almost $500,000.

New fully paid business written by the company during the year amounted to $6,231,000, an increase of 7.6% over the previous year. Business in force at the year end totalled $55,886,523, an increase of $1,400,000. Premium income increased to $1,690,512 and total income to $2,700,958. Volume of terminations and lapses declined for the fifth consecutive year. Mortality experience was more favorable than in either of the two previous years.

Field changes during the year include a new branch office at Kirkland Lake for northern Ontario, re-establishment of the Regina office as a full branch, opening of two general agencies in Winnipeg and eastern Quebec and a district office at Nelson for southeastern British Columbia.

Comparative figures follow:

Monarch Life

	1936 $	1935 $
Premium income	1,690,513	1,641,281
Bus. in force	55,886,523	54,490,686
Assets	12,634,807	11,977,194
Total income	2,700,958	2,473,324

General America

Balance sheet of the General Insurance Co. of America for the year ended Dec. 3, 1936, is featured by an increase of $1 million in assets, bringing the total to $12,784,000. Policyholders' surplus amounts to $6,165,000 as against $5,693,000 in 1935, the 1936 total comprising capital of $1 million, contingencies reserve of $675,000 and net surplus of $4,490,000. The bulk of the company's assets are in security holdings which are carried in the statement at approved valuations. If they were shown at market quotations, total assets would be increased to $13,129,000 and policyholders' surplus to $6,509,000.

Comparative figures are as follows:

	1936 $	1935 $
Prems. written	5,277,000	5,114,000
Policyholders' surplus	6,165,000	5,693,000
Unearned prems.	5,095,000	4,537,000
Total assets	12,784,000	11,799,000

Canadian Indemnity

Net premiums written by Canadian Indemnity Co. in the financial year ended Dec. 31, 1936, amounted to $837,101, an increase of more than 14% over the previous year. Total premium income was $1,003,622, with re-insurance $166,521.

Losses and adjustment expenses paid during the year were $209,440, and reserve for losses in course of adjustment $109,147. The ratio of losses incurred to premiums earned was 41.2%, practically unchanged from 1935. General expenses were somewhat higher, but expressed as a percentage of net premiums written they declined from 48.7% to 46.4%.

The company's balance sheet shows an increase of $140,000 in total assets to $1,584,482. Most of this advance arises from greater cash and security holdings. The latter, which are shown at $1,133,208, are carried at $86,329 under the market value.

After providing for reserves, taxes, and all other liabilities, including dividends, $27,106 was added to surplus account, bringing the total to $322,269.

Comparative figures follow:

	1936 $	1935 $
Net prems. written	837,101	732,061
Loss ratio (earned)	41.2%	41.1%
Expense ratio*	46.4%	48.7%
Total assets	1,584,482	1,444,851
Free surplus	322,269	295,163

*Excluding government license fees and taxes which were 4.12% of net premiums written in 1936 and 4.14% in 1935.

Federal Fire

A moderate increase in premium income and higher losses are reported for 1936 by Federal Fire Insurance Co. After providing for taxes, claims and unearned premium reserves, $30,860 was added to surplus from the year's operations, increasing the total in that account to $242,849.

Total assets at the year end stood at $574,878, an increase of $42,000 from the previous year. Bonds are shown in the company's balance sheet at $394,447, $30,000 under the market value. Unearned premium reserve amounts to $185,840.

Pacific Navigation Co. Plans Recapitalization

Shareholders of Pacific (Coyle) Navigation Co. will meet March 18 at Vancouver to consider reorganization proposals which involve exchange of all classes of shares for common stock in a new company of the same name. The proposals, if adopted, are subject to approval by the Supreme Court of British Columbia.

Holders of the 7,305 first preferred shares would get 50 common shares of $1 each in the new company for each share held.

Holders of the 3,410 second preferred shares would get 50 of the new shares for each 2.8 shares of their present stock. Common would get share for share.

This arrangement would result in an outstanding capital of 440,111 common shares of $1 each out of an authorized capital of 600,000 shares. The first preferred would receive 83% of the new capital, the second preferred would get approximately 14% and the common slightly over 3%.

New York Clearings Manager

E. L. Beck has been appointed manager of the New York Clearing House. Mr. Beck was for 18 years associated with the Canadian Bank off Commerce in various parts of Canada and in New York.

We invite your Enquiry regarding Mining or Industrial Securities

Bowcock, Hackett & Morgan
Members The Toronto Stock Exchange
Telephone: Adelaide 0323
320 Bay Street - Toronto

Fur Auction

Returns from the auction sales of silver fox pelts, held in London during January, are reported as slightly better than anticipated by Prince Edward Island ranchers.

Something over 100,000 pelts were offered with from 70 to 75% sold.

THE MONTREAL CITY *and* DISTRICT SAVINGS BANK

1846 1936

Ninetieth Annual Report

TO THE SHAREHOLDERS. MONTREAL, FEBRUARY 8TH, 1937.

Gentlemen,

Your Directors have pleasure in presenting the Ninetieth Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1936.

The net profits for the year were $380,716.06 and the balance brought forward from last year's Profits Account was $350,120.76, making a total of $730,836.82. In addition to the usual quarterly distributions to its shareholders, the Bank contributed from this amount $6,500.00 to various charitable and philanthropic Funds—independently of the amount of $10,150.00, interest on the Charity Donation Fund, distributed as usual — and has carried $250,000.00 to its Reserve Account, leaving a balance at the credit of Profits Account of $194,336.82 to be carried forward to next year.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The Report of the Auditors and the Balance Sheet are herewith submitted.

R. DANDURAND,
President.

GENERAL STATEMENT

DECEMBER 31ST, 1936.

LIABILITIES		
To the Public:		
Deposits bearing interest including interest accrued to date	$57,389,240.03	
Deposits not bearing interest	419,767.37	
Charity Donation Fund	180,000.00	
Other Liabilities	1,136,534.77	
		$59,125,542.17
To the Shareholders:		
Capital Stock (Amount subscribed $2,000,000), paid up	$ 2,000,000.00	
Reserve Fund	2,750,000.00	
Balance of Profits carried forward	194,336.82	
		4,944,336.82
		$64,069,878.99
RESOURCES		
Cash on hand and in Chartered Banks	$ 7,791,307.81	
Dominion and Provincial Government Bonds	29,392,585.07	
City of Montreal and other Canadian Municipal Bonds and Debentures	16,589,974.55	
Bonds of Canadian School Municipalities	43,507.21	
Bonds of Canadian Public Utilities Corporations	3,864,311.15	
Sundry Securities	200,000.00	
Call and Short Loans, secured by collateral	4,817,859.88	
Charity Donation Fund, invested in Dominion and Canadian Municipal Securities approved by the Dominion Government	180,000.00	
		$62,879,545.67
Bank premises (Head Office and Branches)	1,170,000.00	
Other Assets	20,333.32	
		1,190,333.32
		$64,069,878.99

On behalf of the Board,
R. DANDURAND, *President.*
T. TAGGART SMYTH, *General Manager.*

The Home Investment and Savings Association

Balance Sheet as at December 31st, 1936

ASSETS

Loans on First Mortgages on improved Real Estate — Less Reserve for Losses		$ 613,395.52
Agreements for Sale on Properties foreclosed and sold—Less Reserve for Losses		74,086.76
Interest on Mortgages and Agreements for Sale due and accrued—Less Reserve for Losses		26,147.01
Real Estate held for sale—Less Reserve for Losses		511,200.00
Tax Certificates		754.71
Office Premises—Less Reserve for Depreciation		77,101.57
Furniture and Fixtures—Less Depreciation		500.00
Investment Securities:		
Dominion and Provincial Government and Municipal Bonds and accrued interest	$ 160,269.90	
Industrial, Public Utility and other Bonds and accrued interest	138,398.44	
Industrial and Public Utility Stocks	87,674.79	
		386,343.13
Investment in Shares of Subsidiary: Home Securities Limited		5,000.00
Sundry Debtors		1,165.95
Cash on Hand and in Bank		50,182.48
NOTE: Mortgages to the amount of $25,841.72 are deposited as collateral for debentures.		
		$ 1,745,877.13

LIABILITIES

To The Public:		
Currency Debentures and Accrued Interest	$ 87,989.80	
Sterling Debentures and Accrued Interest (£13,964/2/8)	68,005.34	
Deposits	212,252.71	
Accounts Payable, Sundry	3,829.19	
Solicitors' Abeyance Accounts	3,197.66	
Provision for Dominion Income Tax	185.63	
		$ 375,460.33
To the Shareholders:		
Capital Stock paid up (Subscribed $1,000,000.00)	$ 996,400.00	
Reserve Fund	250,000.00	
Contingent Reserve	100,000.00	
Undivided Profits	24,016.80	
		1,370,416.80
		$ 1,745,877.13

Approved on behalf of the Board,
M. F. CHRISTIE
W. E. HOBSON } Directors.

Profit and Loss Account

FOR THE YEAR ENDED DECEMBER 31st, 1936

Balance brought forward from previous year		$ 20,517.33
Less additional Income Tax for 1935		267.59
		$ 20,249.74
Net Profit for the year, after deducting interest on Borrowed Capital and Expenses of Management	$ 13,952.11	
Less Dominion, Provincial and Municipal Business Taxes	1,189.89	
		12,762.22
		$ 33,011.96
Deduct:		
Amount transferred to Reserve for Loans and Real Estate	$ 4,995.16	
Amount transferred to Reserve for Depreciation of Office Premises	4,000.00	
		8,995.16
Balance of Undivided Profits as at December 31st, 1936		$ 24,016.80

Auditors' Report to the Shareholders

We have examined the accounts of The Home Investment & Savings Association for the year ended December 31st, 1936, and in accordance with the provisions of the Companies' Act (Manitoba) we have to report that we have obtained all the information and explanations we have required, and, in our opinion, the appended Balance Sheet as at December 31st, 1936, is properly drawn up so as to exhibit a true and correct view of the state of the Association's affairs as at December 31st, 1936, according to the best of our information and the explanations given to us and as shown by the books of the Association.

All the transactions of the Association that have come within our notice have been within the objects and powers of the Association, to the best of our information and belief.

PEAT, MARWICK, MITCHELL & CO.,
Auditors.

Board of Directors

President
M. F. CHRISTIE
Vice-President
JOHN A. FLANDERS
G. W. ALLAN, K.C.
R. J. GOURLEY
Managing Director
W. E. HOBSON
W. A. MATHESON
E. H. BENNEST, K.C.

This big Studebaker is *Canada's spotlight economy car!*

Selling sensationally
BECAUSE OF ITS SAVINGS

ACTUAL PHOTOGRAPH

STUDEBAKER again made sales history in January hard on the heels of a record-breaking 1936!

Alert motoring Canada, more eager than ever for economy in its cars, is swinging over to the impressively economical new 1937 Studebaker which in test after test equals or betters the gas and oil mileage of lowest priced cars.

World's first car to offer the dual economy of the Fram oil cleaner and the gas-saving automatic overdrive! World's only car with the built-in automatic hill holder and feather-touch hydraulic brakes! World's only car with revolutionary and exclusive rattle-proof rotary door latches that end all need for slamming!

Silvery "winged victory" front end! Air-curved steel-reinforced-by-steel body with a paint finish twelve coats deep! World's smartest interiors styled by Helen Dryden! World's largest luggage capacity! See and drive a new 1937 Studebaker Dictator or President now!

As low as
$959
DELIVERED
in Walkerville, Ont.
Government Taxes, Freight and License Extra
•
Studebaker's C. A. C. 7% Budget Plan Offers Low Time Payments

A FEW CENTS A DAY MORE THAN A LOWEST PRICED CAR!

The Studebaker Corporation of Canada Ltd.
WALKERVILLE, ONT.

Airlines' Fate May Now Rest With Railways

Ownership of Trans-Canada Service Hangs in Balance

OBJECTIONS RAISED

From Our Own Correspondent

OTTAWA.—A draft bill has been prepared on the Trans-Canada Airways Service, but is still awaiting endorsement of the cabinet council, The Financial Post learns.

Ownership of the operating company is the snag which is holding up the bill.

It is now nearly a year since the Government took up the matter. Half a dozen proposals were considered, rejected, and taken up again. A subcommittee of cabinet has dealt with the affair.

The final form of the company is still uncertain, but there is a growing inclination to turn the whole business over to the railways, and thus end all lobbying by private aviation companies eager to buy shares in the new company.

If this is done the capital shares will be acquired on a 50-50 basis by the Canadian Pacific and the Canadian National. The Government plans to name several members of the board of directors, and the operation of the company will be under Government supervision also through the Board of Transport Commissioners.

Subsidy For Two Years

The draft bill calls for Government subsidy in operating the Trans-Canada Service for the first two years. After that, increasing mail contracts and passenger service are expected to carry the line. No fat profits are expected, and in view of the $8,000,000 invested by the Dominion Government in port facilities, radio beacons, weather forecasting service, etc., it is the view of some members of the Government that any earnings of such a company, beyond a fair return to investors, should go to the federal treasury, similar to the profits of the Bank of Canada.

The chief objection to turning over the new service to the railway companies is the criticism that it is not fair to a new transport industry to leave its fate in the hands of companies with heavy investments in other types of service. The alternative is to allocate a percentage of the shares to leading aviation companies of Canada. One proposal which has since been jettisoned called for the sale of 25% of the shares to Canadian Airways and the division of the remainder among the two railways. Since then several companies have merged and put in a strong bid for a share in the new company.

Northern Services Unaffected

It is not intended to bring the northern mining services under rigid Government control in their present stage at least.

The delay in agreeing on the principle of the company ownership threatens delay in opening the service. Facilities are ready for the opening of the Winnipeg-Vancouver section, with a leg up to Edmonton, by July 1, 1937. Fields and aerodromes for the Montreal-Winnipeg section will not be ready until 1938 and the first transatlantic flights are expected in the latter year.

Until a company is formed on the basis of the bill now in its draft stage, no orders can be placed for machines to fly the route, nor can the necessary contracts for mail be made. Unless the bill is put through at once it will not be possible to begin the western link until late this fall, according to the authorities.

Montreal Security Values Record Advance in January

From Our Own Correspondent

MONTREAL. — Securities listed and traded on the Montreal Stock Exchange and the Montreal Curb Market had a total value of $8,743 millions as at Jan. 31, 1937. This represents a gain of $243 millions over Dec. 31 when values totalled $8,499 millions. Compared with the end of January a year ago the total value showed an increase of $1,113 millions. Seven out of nine classifications registered advances. Government bonds and industrial bonds showed declines.

Alberta Pacific Oils Listed in Toronto

Stock of Alberta Pacific Consolidated Oils was called for trading on the Toronto Stock Exchange on Feb. 15.

The company, incorporated Dec. 31, 1914 in Alberta, has an authorized capitalization of five million shares, $1 par value, of which 2,354,252 were issued and sold for cash.

The company owns 11,603 acres of oil leases in Alberta and 620 acres in Montana, the latter of which is producing about 140 barrels daily, with 60% being marketed under winter conditions. Royalty assets in Turner Valley field consist of the following:Holdings of B. & B. well; 3% Turner Valley Royalties No. 1; 12½% on 320 acres payable by Vanalta Ltd. with six producing wells; 5% in Newfold, and 3% in Westside. In addition, a royalty of 12½% is reserved on certain lands sold to Royalite from which is deducted a Government royalty.

The company sold two producing wells in 1933 to Royalite for 2,800 shares of that company. An initial dividend of two cents a share was paid July 15, 1936.

Company Reports

Acadia Trust Co.

Acadia Trust Co. of Truro, N.S., reports a slight increase in earnings for the year ended Nov. 30, 1936, net profit amounting to $58,026. This is equivalent to $29 a share, compared with dividends of $10 a share.

Guaranteed funds show a slight reduction from the previous year. Net capital assets, however, increased as did estates and trusts under administration.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	700,000	55,619	10	27.80
1932	700,000	55,239	10	27.61
1933	700,000	46,902	10	23.45
1934	800,000	57,043	10	28.52
1935	800,000	54,781	10	27.39
1936	800,000	58,026	10	29.01

*After deducting income tax reserve.

Public Liabilities and Assets

	1936 $	1935 $
Guar. funds	857,458	863,911
Secured by assets:		
Liquid assets	811,042	814,725
Mortgages and int.	46,416	49,186
Net cap. acct. assets	922,288	884,263
Total	1,779,746	1,748,174
Estates, etc.	5,768,193	5,740,938

Sherbrooke Trust

Sharply increasing earnings per share from $6.97 in 1935 to $9.61 in 1936, Sherbrooke Trust Co., Sherbrooke, Quebec, covered its annual $6 dividend requirement by a wide margin. The dividend remained the same as that paid in each year since 1931.

Debentures and deposits were slightly increased at $1.7 million and were covered by assets of $2.2 millions compared with $2.1 millions in 1935. A moderate growth in estates business is reflected in the 1936 figure of $3,986,181 against $3,902,254 in 1935.

Earnings Record

Year	Paid-up Capital and Reserves $	†Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	454,218	27,565	6	9.18
1932	460,000	26,464	6	8.82
1933	460,000	31,591	6	10.53
1934	477,000	29,124	6	9.70
1935	484,000	20,910	6	6.97
1936	493,500	28,851	6	9.61

†After taxes and depreciation on premises and furniture as follows: $5,127 in 1936; $5,107 in 1935; $5,079 in 1934; $5,040 in 1933; $5,028 in 1932; $4,985 in 1931.

Creditors' Position

	1936 $	1935 $
Debentures	373,119	373,846
Deposits	1,308,477	1,217,045
Total	1,681,596	1,590,890
Secured by assets:		
Liquid assets	793,653	695,566
Mortgages	1,188,095	1,198,019
Net cap. acct. assets	238,263	217,535
Total	2,220,011	2,111,120
Estates, etc.	3,986,181	3,902,254

Tip Top Tailors

Tip Tip Tailors Ltd., Toronto, reports net profits equivalent to $13.14 a share on the 11,953 preferred shares outstanding at the close of the 1936 year. This compares with earnings of $9.99 a share on 12,829 shares in 1935. Earnings on the common amounted to 59 cents a share, compared with 30 cents a share in 1935. Common dividends at 50 cents a share were double the initial 25-cent payment of 1935.

David Dunkelman, president, explains that reduction in the amount reserved for depreciation is due to substantial write-offs in previous years.

Income and Surplus Account

	53 Wks. Ended Jan. 2, 1937 $	52 Wks. Ended Dec. 28, 1935 $
Operating profit	345,181	320,473
Add: Inv't. income	2,397	2,451
Less: Exec., legal fees	54,886	47,198
Net earnings	292,692	275,726
Less: Depreciation	105,134	124,624
Income tax	30,500	23,000
Net profit	157,058	128,102
Less: Pref. divds.	86,307	92,491
Common divds.	60,000	30,000
Surplus for year	10,751	5,611
Add: Prev. surplus	941,234	985,360
Less: Prem. on pfd. redemptions, net	81,608	49,737
Surplus forward	870,377	941,234

Working Capital

Current assets	1,563,337	1,735,511
Current liabilities	191,725	390,695
Working capital	1,371,612	1,344,816

Fanny Farmer

Increased sales, higher profits and a stronger working capital position are reported by Fanny Farmer Candy Shops for 1936.

Sales for the year totalled $5,682,929, compared with $4,818,395 in 1935.

Profits for the year, before making provision of $60,000 for undistributed profits tax, were equivalent to $1.65 a share compared with $1.28 a share in the previous year.

Total provision for federal and state income taxes was $280,054.

The company improved its strong liquid position, working capital in 1936 totalling $1.3 million, compared with $1.1 million in 1935. If the market value rather than book value of bonds held by the company is taken into consideration then the improvement is even greater than indicated. At the end of the year bonds held by the company were caried in the balance sheet at $626,051 which was $179,904 lower than market value.

Depreciation reserve is $802,500 so that the net book value of fixed assets is only $574,947.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Operating profit	1,006,001	709,617
Add: Inc. from invests.	30,541	29,414
Prof. on sale of invests.	2,205	687
Prof. on sale of equip.	4,343	......
Net earnings	1,043,090	739,718
Less: Exec. salaries	73,600	......
Depreciation	150,996	113,640
Federal taxes	*232,000	125,000
Net profit	586,494	501,078
Less: Dividends	341,660	195,240
Surplus for year	244,834	305,838
Add: Prev. surplus	874,121	568,649
Less: Adjustments	......	367
Balance forward	1,118,955	874,120

*Includes provision of $90,000 for undistributed profit tax.

Working Capital

	1936 $	1935 $
Current assets	1,608,516	1,251,015
Current liabilities	307,016	150,569
Working capital	1,301,500	1,100,446

Standard Clay

With practically no change in the volume of sales, the financial statement of Standard Clay Products for 1936 shows an operating profit of $28,543, compared with $29,712 in 1935. While this was sufficient to take care of bond interest, there was a deficit after depreciation of $12,565, or an increase of about $3,000 over 1935.

The balance sheet shows maintenance of working capital, with liquid position somewhat better than at the end of 1935. There is no change in the funded debt, while other items remain practically unchanged from those reported in 1935.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Operating profit	28,543	29,712
Less: Bond interest	27,474	27,474
Depreciation	13,634	11,609
Deficit	12,565	9,370
Previous surplus	772	10,143
Deficit forward	11,793	*772

*Surplus.

Working Capital

Current assets	255,989	265,535
Current liabilities	10,656	8,612
Working capital	245,333	256,923

Western Grocers

Western Grocers Ltd., Winnipeg, reports net profit in 1936 equivalent to $16.45 a share on the 7% preferred compared with $14.05 a share in 1935. Earnings on the common were $6.66 a share compared with $4.97 in 1935. Dividends paid on the common amounted to $2.10 a share compared with $2 a share in 1935. The current rate is $2.40 a share, and the extra 10 cents for 1936 is accounted for by the initial payment in January at 60 cents a share for one quarter.

The two subsidiaries, Dominion Fruit Co. and H. H. Cooper Ltd. earned profits in 1936, but these are not included in the income account.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Operating profit	391,996	296,707
Less: Exec. salaries	57,631	47,970
Legal fees	3,431	626
Directors' fees	4,000	4,000
Net earnings	326,934	244,111
Less: Depreciation	38,852	29,139
Unused land w/off.	36,725	......
Res. for taxes	55,000	47,187
Add: Divs. received	77	......
Net profit	196,434	167,785
Less: Pref. divds.	83,601	83,601
Common divds.	35,580	33,886
Surplus for year	77,253	50,298
Add: Prev. surplus	429,217	378,680
Adjustment	......	239
Surplus forward	506,470	429,217

Working Capital

Current assets	2,183,631	1,945,547
Current liabilities	649,767	521,312
Working capital	1,533,864	1,424,235

Goodyear Tire

Goodyear Tire & Rubber Co. of Canada reports profits for 1936 equivalent to $12.63 for each $50 preferred share, over 10 times the annual dividend of 5%. This compares with $12.04 a share in 1935. Earnings on the common in 1936 were equivalent to $4.73 a share on the common compared with $4.12 a share in 1935. Taxes of all kinds totalled $1,119,378, an increase of 20% over the 1935 tax burden of the company.

The income account shows only $2.50 a share dividend on the common deducted from 1936 earnings, although an additional $2.50 was paid Jan. 15 to shareholders of Jan. 9. The extra payment therefore will come out of 1937 earnings.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Profit after inc. tax	2,068,276	2,025,105
Less: Depreciation	551,932	579,907
Net profit	1,516,344	1,445,198
Less: Pref. divds.	300,000	383,594
Common divds.	643,150	643,150
Surplus for year	573,194	418,454
Add: Prev. surplus	7,457,599	7,921,702
Less: Prem. on pref.	......	882,557
Surplus forward	8,030,793	7,457,999

Working Capital

Current assets	10,007,844	8,913,597
Current liabilities	673,122	429,770
Working capital	9,334,722	8,483,827

Ottawa Light

Relatively little change is shown in the 1936 statement for Ottawa Light, Heat and Power Co. Operating revenue for the year amounted to $975,840, a decline of approximately $16,000 from that recorded in 1935. The charges remain about the same as in the previous year and after providing for dividends on the capital stock, there is a deficit of $33,109, as against $10,721 in 1935.

The balance sheet, aside from showing a strengthening working capital position, does not reveal any major changes. Investment securities held by the company advanced from $29,620 to $109,557. Funded debt declined during the year from $4.7 millions to $4.6 millions, while there was an increase in the outstanding preferred from $1.5 million to $1.7 million.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross revenue	975,840	981,788
Less: Directors' fees	3,600	3,795
Legal fees	2,403	887
Salaries	22,040	22,040
Taxes	231,316	216,613
Interest	234,750	237,313
Discount on fin.	28,072	26,224
Premium on bonds	6,134	2,844
Appraisal expense	......	1,250
Exchange	700	4,043
Depreciation	170,000	170,000
Net profit	271,286	296,779
Less: Pfd. divds.	94,375	97,500
Common divds.	210,000	210,000
Deficit	33,109	10,721
Previous surplus	625,904	583,542
Add: Net adjusts.	5,324	53,083
Less: Depreciation	50,000	......
Surplus forward	548,120	625,904

Working Capital

Current assets	768,930	689,688
Current liabilities	315,282	305,866
Working capital	453,648	383,822

Provincial Paper

Provincial Paper Ltd. reports a slight improvement in earnings for 1936. Bond interest was covered 1.9 times after depreciation of $100,000. Net profit was equivalent to $11.38 a share on the 7% preferred stock, compared with $10.77 a share in 1935.

The company added $153,380 to earned surplus after preferred dividends. In addition to regular depreciation charges, the company transferred $225,000 from general reserves to depreciation reserve, but this balance sheet adjustment does not affect the income account.

Working capital increased by $213,813 in 1936. Current assets include $300,000 of advances to the parent firm, Abitibi Power & Paper Co., secured by receiver's certificate. No dividend was paid in 1936 on the common shares, all of which are held by Abitibi.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Net earn. after taxes	710,103	688,617
Less: Depreciation	100,000	100,000
Interest	211,723	211,727
Net profit	398,380	376,890
Less: Pref. divds.	245,000	245,000
Common divds.	......	100,000
Surplus for year	153,380	31,890
Add: Prev. surplus	846,767	814,876
Surplus forward	1,000,147	846,767

Working Capital

Current liabilities	2,786,946	2,611,296
Current assets	321,274	359,437
Working capital	2,465,672	2,251,859

Home Investment

A decline of 48% in net profits from the previous year is reported by The Home Investment and Savings Association of Winnipeg for the year ended Dec. 31, 1936. Net profit for the year amounted to $12,762. After deducting reserve for loans and real estate and provision for depreciation on office furniture, however, the amount transferred to surplus was only $8,995.

Liquid assets were increased during the year by $54,000. Mortgages and agreements of sale were reduced by $190,000. Real estate held for sale, on the other hand, increased by $88,000.

During the year the company's contingency reserve was reduced by $50,000 to $100,000.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,521,400	53,056	4	5.32
1932	1,496,400	41,597	3	4.17
1933	1,396,400	37,421	.	3.75
1934	1,396,400	27,082	.	2.72
1935	1,396,400	24,553	.	2.46
1936	1,346,400	12,762	.	1.27

*After making provision for taxes.

Public Liabilities and Assets

	1936 $	1935 $
Inv't. certificates	165,995	168,356
Deposits	212,252	205,240
Total	378,247	373,596
Secured by assets:		
Liquid assets	436,525	382,599
Mortgages & int.	713,628	904,519
Net cap. acct. assets	588,510	503,395
Total	1,738,663	1,790,513

Consold. Oka Sand

Little improvement is recorded by Consolidated Oka Sand and Gravel Co. for 1936, the report showing an operating loss of $4,187 compared with $7,055 in the previous year. No depreciation was provided for and after allowing $43,615 for bond interest, there was a net loss of $47,802, compared with $50,670 in 1935. Including all adjustments the net deficit in surplus account increased from $300,141 to $345,426.

The company's funded debt, on which no interest or sinking fund payments have been made since Nov., 1932, totals $671,000 of 6½% first mortgage bonds.

Western Breweries Ltd.

Despite an increase in net operating profits of Western Breweries Ltd. from $256,499 in 1935 to $289,556 in the year ended Oct. 31, 1936, taxes, depreciation and other charges resulted in a deficit equal to six cents a share on the common stock, compared with earnings of five cents a share in the preceding year.

Dominion and provincial taxes absorbed $161,739; depreciation was charged at $87,418, and bond interest of $34,924 was paid in full. After $2,132 was appropriated for interest due minority preference shareholders, the deficit amounted to $15,662 against net profit of $12,264 in 1935. Higher prices for agricultural products, improved employment conditions and development of the mining areas are cited among reasons why officials think the current year's business should produce more satisfactory results than those in 1936.

Comparative figures follow:

Profit and Loss Account

	Yr. End. Oct. 31, 1936 $	Yr. End. Oct. 31, 1935 $
Net operating profit	268,015	256,499
Sundry income, divds.	2,537	1,202
Gross income	270,552	239,673
Depreciation	87,418	42,006
Bond int. & taxes	196,664	183,271
Res. pfd. divds., Drewery's Ltd.	2,132	2,132
Total deductions	286,214	227,409
Net loss	15,662	*12,264

*Profit.

Working Capital Position

Current assets	266,415	312,021
Current liabilities	222,128	241,716
Working capital	44,287	70,305

Listed Bonds

Week Ended Feb. 15, 1937

	Int. rate	Due	High	Low	Range 1937 High	Low
Mtl. L. H. & P. Debs.	3	'39	50½	50½	50½	50½
McNish	6	'48	3.70	..	3.85	3.50
Unlisted—						
Cons. Pap.	5½	'61	87	..	87	..

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CHARTERED TRUST and EXECUTOR COMPANY

PROFIT AND LOSS ACCOUNT

For the Year Ended December 31, 1936

Balance forward from 1935	$ 115,120.48	
Net Profit for year after deducting cost of Management, Auditors' fees, provision for investment reserve and all other expenses including Provincial and Municipal Taxes and Depreciation of Furniture and Fixtures	115,967.46	$ 231,087.94
Appropriated as Follows:		
Amount paid on account of Goodwill and Interest of Business acquired by Montreal Branch	$ 5,647.54	
Reserved for Dominion Taxes	20,000.00	
Written off Office Premises	8,241.24	
Repairs and Rehabilitation of Office Premises	18,993.00	
Dividends	40,000.00	92,881.78
Carried forward		$ 138,206.16

BALANCE SHEET, December 31, 1936

ASSETS

Capital Account:		
Office Premises	$ 293,457.20	
Safety Deposit Vaults	27,436.89	
Real Estate held for Sale	57,775.48	
Mortgages	132,370.01	
Interest Due and Accrued	6,393.58	
Loans on Collateral Securities	277,527.03	
Bonds and Debentures—		
Dominion of Canada and Province of Ontario	45,631.96	
Canadian Municipalities and School Districts	135,482.69	
Corporations	102,202.24	
Stocks	50,031.41	
Cash on Hand and in Banks	57,937.24	
Advances to Trusts, Estates and Agencies	127,059.99	
Accounts Receivable and Deferred Commissions	17,640.98	
Office Furniture and Fittings at Toronto and Montreal	14,978.35	
Other Assets	7,951.28	$ 1,353,876.33
Guaranteed Trust Account:		
Mortgages	$ 724,757.38	
Interest Due and Accrued	18,043.86	
Bonds and Debentures—		
Dominion of Canada and Province of Ontario	996,656.17	
Other Provinces and British Dominions	180,469.76	
Canadian Municipalities and School Districts	810,669.59	
Corporations	61,424.60	
Loans on Collateral Securities	931,308.49	
Cash on Hand and in Banks	215,351.55	3,938,681.40
Estates, Trusts and Agencies Account:		
Cash Securities and Other Properties held for Estates Trusts and Agencies		20,689,333.77
		$25,981,891.50

LIABILITIES

Capital Account:		
Capital Subscribed and fully Paid	$1,000,000.00	
Rest	100,000.00	
Dividend No. 72, payable January 2, 1937	10,000.00	
Mortgage Payable on Office Premises	46,500.00	
Accounts Payable and Accrued Items	18,719.70	
Fees, Rents and other items paid in advance	20,525.46	
Reserve for Dominion Taxes	19,925.01	
Balance at Credit of Profit and Loss	138,206.16	$ 1,353,876.33
Guaranteed Trust Account:		
Trust Deposits	$3,104,751.16	
Trust Funds for Investment	833,930.24	$ 3,938,681.40
Estates, Trusts and Agencies Account:		
Estates, Trusts and Agencies under Administration by the Company		20,689,333.77
		$25,981,891.50

Approved on behalf of the Board, R. R. CORSON, JOHN J. GIBSON, Directors.

We have audited the books and accounts of Chartered Trust and Executor Company for the year ended December 31, 1936, and have verified the Cash, Bank Balances and Securities of the Company.

After due consideration, we have formed an independent opinion as to the position of the Company, and certify that in our opinion so formed and according to the best of our information and the explanations given to us, the above Balance Sheet together with the related statement of Profit and Loss, sets forth fairly and truly the state of the affairs of the Company at December 31, 1936, and the profits made for the year ended at that date, and is in accordance with the books. All transactions of the Company that have come to our notice have been within the powers of the Company.

ARTHUR J. HARDY,
HARVEY A. LEVER, C.A., Auditors.

January 22, 1937.

CONTINUED STRENGTH IN CASH POSITION

BALANCE SHEET

As at 31st December, 1936

ASSETS

CASH IN BANKS		$ 31,303.26
AGENTS' NET BALANCES FOR OUTSTANDING PREMIUMS		14,229.77
COMMISSION DUE BY "MONARCH" BRANCH		185.84
INVESTMENTS:		
Bonds and Debentures at Book Values	$238,797.60	
Accrued Interest	2,390.05	241,187.65
(Approximate Value as allowed by Department of Insurance—$248,312.00)		
OFFICE FURNITURE—Less Depreciation		1,395.29
		$288,301.81

LIABILITIES

CLAIMS OUTSTANDING:		
Known or Reported—Proof not fyled		
Accident	$16,620.71	
Sickness	20,730.35	
Reserve for Claims originating in 1936 Not Reported	10,000.00	$ 47,351.06
ACCRUED SALARIES		2,158.32
RESERVE FOR TAXES		10,000.00
RESERVE FOR UNEARNED PREMIUMS (100%)		60,494.48
CAPITAL STOCK AND SURPLUS:		
Capital Stock—		
Authorized	$50,000.00	
Issued fully paid	$ 50,000.00	
Surplus	118,297.95	168,297.95
		$288,301.81

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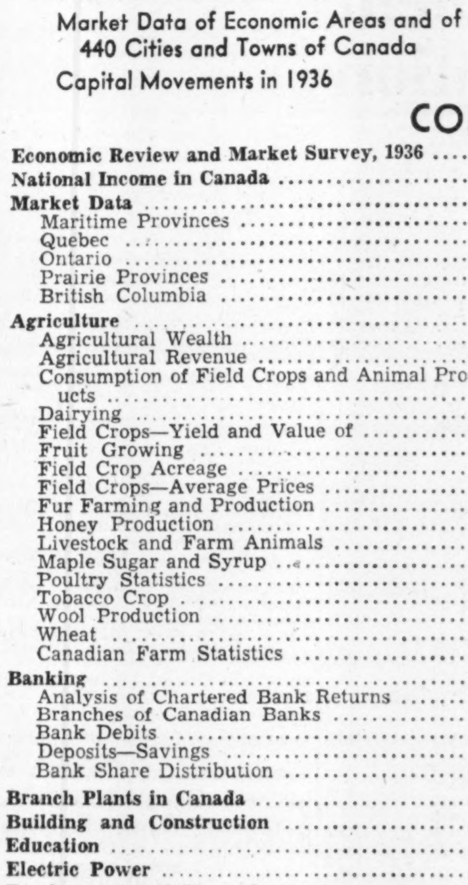

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Hazards in Aviation

Risks of Flying Discussed From Viewpoint of the Insurance Underwriter — Not as Safe as Motoring Statistics Show

By B. D. T. WEIR

Aviation transport as an industry has been established only 17 years. Rapid growth in the industry has been made all over the globe, and locally the intense development of Canadian mining properties in somewhat inaccessible regions has given further impetus. However, the air machine must still pass through many stages of improvement in safety and efficiency before it will become like the automobile, an indispensable appurtenance of our modern, daily life. How long that will take, events alone will show, but we are still far from accepting air travel as part of our ordinary routine.

Aviation brought with it many problems in underwriting for the insurance company. In an effort to keep abreast of these problems, the Actuarial Society of America appointed the Committee on Aviation Statistics in 1929. The rates now in effect in this and in most Canadian companies are based on the data furnished by the Actuarial Society with modifications to suit Canadian conditions.

How Safe is the Air?

A very interesting set of figures appears in a recent report of the Aviation Committee, contrasting the hazard of travel by steam railroads, motor vehicles and air. These figures relate experience in the United States for the year 1934-35 on steam railroads, all revenue passenger buses, and scheduled airlines. (These show the lightest extra mortality of all classes of air risks.)

	Number of miles travelled for each passenger death in the U.S.—1934-35	Approx. No. of Deaths per 400,000,000 miles
Railroads ..	424,000,000	1
Buses	156,000,000	3
Scheduled Airlines .	17,000,000	25

As the data regarding travel by private automobiles is at best a reasonable guess, their use in comparison lacks a great deal of dependability. On the contrary, information for travel by revenue passenger buses is far more accurate, and the figures shown above are very suitable for comparison.

It is a fair question to ask why it is possible to keep insuring the public at standard rates in spite of the motor car hazard. The answer is this:

Motor car travel is definitely part and parcel of our modern life, and we must accept the fact that the majority of our policyholders are subject to this hazard, and consequently the average premium will include a portion for this extra danger. On the contrary, the extra risk for the few policyholders engaging in aviation must be borne by them until it becomes general.

The majority of applicants have never flown. Among those who have, fare-paying passengers travelling for business, in planes operated by transport companies, make up the largest group. Everything about this method of flight has been carefully checked and licensed, and we are able to allow standard rates up to about 25 flights of not more than one hop each per year, with the qualification that each hop of over 2½ hours duration shall be counted as two. The rates increase for increased flying, so that the charge for between 26 and 40 flights is $2 and so on. Where an extra premium has been imposed, and a subsequent request is made to reduce the extra, due to an actual or anticipated decrease in the amount of flying, prudent underwriting requires a period of probation of at least two years before the extra premium should be removed.

Some air companies in our northern mining fields advertise an unblemished record of many thousands of miles flown with no fatalities. Such records are highly commendable and will assist the development of passenger flying more than any other single element, but unfortunately and tragically, the record is difficult to maintain.

Plane Crashes

Our newspapers recently headlined eight deaths in the crash of an airplane in the United States, belonging to a company which was able heretofore to advertise a record of 20,000,000 miles flown without a single fatality. Now the figure will read 2,500,000 miles per passsenger fatality, a figure far below the average in our table above for all scheduled flying.

Whenever rates are required for a classification where experience has not yet been sufficient to indicate those rates, the results of comparative experiences fundamentally the same must be sought and studied. Our northern Canadian flying, however, is not paralleled elsewhere and we are forced to make our studies from experiences of a radically different type of flying. Careful study of available statistics leads us to expect similar experience for flights by transport companies over regular routes, and those operating over populated territories. The gradual increase of experience may in time prove these expectations optimistic. and with this in mind, one readily understands that only the best of this class of applicants can be accepted at the favorable low rates charged for ordinary passenger flying.

Classes of Flights

As the variation of types of flying and conditions of flight is extreme, brief reference is made to a few types only.

The person who has taken a few flights from an airport for the experience is of course, not subject to an extra premium. If he desires to continue with instructions, however, he must be classified as a student pilot. The pleasure passenger who flies more than a few times as the guest of the owner of the plane is not flying under the strict supervision of a company to which the welfare of the passenger is all important, and slight relaxations of discipline and routine safety measure, may be expected to appear. This type of passenger therefore, is not viewed as favorably as the ordinary passenger.

Actuaries State Aviation Risks

An air travel enthusiast may spend as much as 62½ hours flying without any additional premium for life insurance, if recommendations of the committee on aviation insurance risks are approved.

The committee suggests that passengers flying in licensed planes with licensed pilots, over regular scheduled air transportation lines, under favorable conditions, be assessed the following surcharges for each $1,000 cf insurance, in addition to the ordinary premium:

Number of Flights	Extra Premium $
26 to 40	2
41 to 70	4
71 to 100	6

Each 25 flights above 100 is charged an additional $1.50. In determining the number of flights, each take-off is reckoned as a separate flight, and any trip longer than 2½ hours is to be treated on the basis cf one flight for each 2½ hours. Flying over remote territory, each flight is reckoned as two or four, depending on circumstances.

Additional premiums for pilots vary according to flying time and type of flying. Those flying normally on regular routes, with more than 300 hours to their credit, will be required to pay $25 each $1,000 of insurance. Stunt, racing, student and unlicensed pilots, it is recommended, should not be accepted as insurable risks.

Canadian Policyholders Hit by Reciprocal Losses

Believe Manufacturing Lumbermen's May Be Liquidated

Efforts to rehabilitate Manufacturing Lumbermen's Underwriters, a Kansas City reciprocal exchange which has written a substantial volume of insurance in Canada, will probably be unsuccessful, and the exchange may have to be liquidated.

Earlier reports indicated that the organization was solvent, but the superintendent of insurance for the State of Missouri now reports that disclosure of a large underwriting loss in 1936 and large additional flood losses recently incurred in the Ohio Valley region are likely to render reinsurance of the business impossible.

$10,000 to Canadians

If such proves to be the case, Canadian policyholders may meet with considerable loss. At Dec. 31, 1935, the last date for which a complete statement of the Canadian affairs of the exchange is available, liabilities in Canada, including the full reserve of unearned premiums, amounted to $83,490. The market value of the exchange's Canadian deposit was then $163,080, and is now about $167,000. At the same date, total liabilities of the exchange, as shown by the annual statement filed with the Missouri department, were $1,496,975. Thus liabilities in Canada amounted to less than 6% of total liabilities. Consequently, less than 6% of the deposit, or about $10,000, will be available for Canadian policyholders.

G. D. Finlayson, Dominion superintendent of insurance, in a memorandum, suggests that Canadian policyholders might be better off by relying entirely on the general assets of the exchange. "It is possible, however, that the basis to be used should not be the proportion indicated (6%)," he states, "but what other basis should be adopted is not entirely clear."

History in Canada

The history of the exchange in Canada has been outlined by the Dominion superintendent as follows:

"The exchange was first licensed in Canada April 24, 1918. At that time it made a deposit under the Insurance Act on the terms then required of all foreign insurers, that is, for the exclusive protection of Canadian policyholders. For nearly ten years it continued to maintain the statutory deposit on these terms and to comply with the provisions of the Insurance Act. In 1927 it stated its inability to maintain a Canadian deposit on these terms and failed to file its annual statement. For this reason its license, on expiry on March 31, 1928, was not renewed. However as it failed to take the steps prescribed by the Act to obtain release of its deposit, this remained in the hands of the receiver-general.

Widen Deposit Provisions

"In the revision of the Dominion's insurance legislation in 1932, provision was made that the deposit made under the Act by a purely mutual fire insurance company or a reciprocal exchange should continue 'to form a part of the general assets of the company or exchange, available pari passu to all its policyholders or subscribers in or out of Canada in the same manner as its other funds.'

"Any such company or exchange to which this provision applied was required to print in red ink on its policy issued in Canada a notice to the effect that its deposit was maintained on these unusual terms, but it was permitted to contract itself out of the said provisions by filing with the minister a declaration that the assets in Canada are held for the protection of Canadian policyholders exclusively.

Deposit All-embracing

"While all the mutual companies and a majority of the exchanges then licensed filed such a declaration, the Manufacturing Lumbermen's Underwriters and a few other exchanges refused to do so and its deposit has remained up to date subject to the proviso mentioned above. In 1934 the section in question was further amended by repealing the requirement that notice of the nature of the deposit should be printed on Canadian policies. This latter amendment may explain the fact, made evident by a large volume of correspondence now reaching the department, that policyholders of the Manufacturing Lumbermen's Underwriters in Canada are unaware that the Canadian deposit is not available for their protection exclusively as in the case of other classes of insurers.

Require Powers of Attorney

"About a year ago, the attention of the department was drawn to the fact that the exchange was issuing its policies in Canada to persons who had not executed a power of attorney to the attorney-in-fact or filed any other form of application. These policies were issued largely in the province of Quebec but to some extent in other provinces as well and, as a condition of the renewal of the license of the exchange on expiry on March 31 last, the department imposed the requirement that powers of attorney should be obtained from all holders of policies outstanding in Canada in respect of which such documents had not been received. The exchange also furnished an undertaking that no policies would thereafter be issued in Canada without powers of attorney being issued.

Levis Quebec

"This statement is issued for the information of the public, particularly the large number of subscribers who have written to the department for information as to protection afforded them by the Canadian deposit of the exchange. Several of these enquiries have referred to the fact that the writers have been offered, by a former representative of the exchange in the province of Quebec, policies of the Levis Quebec Underwriters, and they have asked as to the security behind the latter policies. The department has ascertained that this organization is a reciprocal exchange organized in Quebec in Feb., 1936, but commencing active operations only on the development of difficulties in the Manufacturing Lumbermen's Underwriters. The department has asked for a copy of a financial statement, but up to date this has not been received. As the laws of the province of Quebec provide for no supervision of reciprocal exchange, it is necessary for correspondents to satisfy themselves as to the security afforded by the said policies."

MEDICAL REFEREE

Dr. E. Clark Noble, who has been appointed medical referee for National Life Assurance Co.

Smoking Fires Up in Ontario

Urban and Rural Dwelling Losses Decline in 1936

Although Ontario's fire loss in 1936 was the lowest of any year since statistics have been compiled, losses from a number of leading causes show a very substantial increase.

Total loss during the year amounted to $7,867,483, a decrease of almost $300,000 from the previous year. Loss from fires caused by stoves, furnaces and boilers, however, the largest of any single classification in 1936, was almost double the 1935 figure. Smoking fires, arising from cigarettes, pipes, etc., registered even greater increase, costing $575,101 last year, as against $248,580.

Classification of loss according to type of property affected shows marked reduction in urban and rural dwellings and mercantile stores. On the other hand, losses on manufacturing and special hazards and church buildings are sharply higher.

Classification of the more important causes of fire during the year and of the main types of property loss, as revealed in the report of the provincial fire marshal, is as follows:

Main Causes of Fire Loss

	1936 $	1935 $
Stoves, furn., boilers	935,139	496,296
Electricity	666,328	621,497
Smoking	575,101	248,580
Sparks from comb. ...	380,934	438,239
Lightning, unrodded bldgs.	296,774	143,281
Overheated or defec. chimneys	274,909	321,738
Petroleum & products	234,225	249,867
Friction	232,699	56,780
Incendiarism	188,769	322,881
Spontaneous comb. ...	185,997	239,750
Mercantile stores	1,541,884	1,774,722
Manufacturing and special hazards	1,385,540	1,173,121
Urban dwellings	1,192,054	1,306,916
Barns	1,031,226	1,114,155
Farm dwellings	654,897	651,487
Rural dwellings	445,823	603,491
Churches	345,253	122,428
Elevators and grain warehouses	211,353	52,707
Schools, hospitals, libraries	181,120	99,685
Hotels and boarding houses	149,737	234,203

Air Mail Tonnage Gains in 9 Months

Volume of air mail carried by Canadian Services in the first nine months of 1936 totalled 859,426 pounds, an increase of 6.8% over the corresponding figure of 1935.

Maple Leaf Milling Place Group Policy

Employees of Maple Leaf Milling Co. are insured for $700,000 under under a group insurance policy recently placed with three companies. Confederation Life Association, Mutual Life Assurance Co., and London Life Insurance Co.

Insurance covers the 598 employees east of Kenora, Ont., including sales staffs in principal cities of eastern Canada and in New York. Protection is made available on the following scale: Executives, $5,000; department heads, $3,000; foremen, $2,000; and all others $1,000.

Insurance Inklings

GORDON M. BUTLER has been appointed District Supervisor, Ordinary Branch of London Life, headquarters at Saint John. Territory includes the southern part of the province including Moncton. Mr. Butler was formerly at Moncton and Guelph, Ont.

F. A. WICKETT, who hails from Aylmer Ont., has been elected a vice-president of the New York Life Insurance Co. Mr. Wickett, who has been with the company for 35 years, has recently been western superintendent of agencies with headquarters in San Francisco.

H. A. H. BAKER, C.L.U., manager of the Toronto number one branch of the Great West Life, has been elected president of the newly organized Life Managers' Association of Toronto.

M. I. BROCK was leading Ontario supervisor of the Excelsior Life Insurance Co. in 1936.

E. R. ROSSER, formerly Perth County supervisor of the Excelsior Life, has now returned to London, Ont., and is engaged in estate survey work.

Sun Life of Canada has announced that the Newark branch of the company, E. C. Hoy, manager, led all branches of the company throughout the world last year in the volume of new business produced.

J. E. LEWIS has been promoted to vice-president of the New York office of the Aetna Casualty & Surety Co., and has also been appointed vice-president of the same office in the accident and liability department of the Aetna Life and in the Automobile Insurance Co.

NATIONAL DIRECTOR

His Honor the Hon. Eric Werge Hamber, Lt.-Governor of British Columbia, who has been elected a director of National Life.

His Honor is president and general manager of Hastings Sawmill Co., a director of Dominion Bank, member of the advisory board of Toronto General Trusts Corp.

New Montreal Agency For London Life Ins.

London Life Insurance Co. has opened a second ordinary agency in Montreal under the management of Irving Riddell, C.L.U. This new branch will be located in the Confederation Building. J. M. Brown, C.L.U., will continue to direct the ordinary agency located in the Canada Cement Building. The company has also four industrial agencies in Montreal.

New Licenses

The following companies have been licensed by the federal department of insurance to transact the classes of insurance named in addition to those for which they are already registered:

Union Marine & General Insurance Co.—Personal property.

Phoenix Assurance Co.—Personal property.

Wawanesa Mutual Insurance Co.—Fire, liability for loss or damage from accident to persons or to property, automobile, burglary, limited explosion, hail, inland transportation, plate glass, sprinkler leakage, tornado, and limited to risks insured by the company for fire, falling aircraft and earthquake.

The federal department of insurance has issued a certificate of registry to **Liberty Mutual Insurance Co.**, authorizing it to transact in Canada insurance against bodily injury and death by accident, and insurance against liability for loss or damage from accident to employees or other persons or to property and insurance against liability for loss or damage to persons or property caused by an automobile.

1887 GOLDEN JUBILEE YEAR 1937

Rt. Honourable Sir John A. Macdonald

The First President
(1887-1891)

The first President of the Manufacturers Life Insurance Company was the Right Honourable Sir John A. Macdonald, the first Prime Minister of the Dominion of Canada.

Fifty years have passed since Sir John was elected to the presidency of this company. In those fifty years there has been a tremendous expansion in life insurance as an unsurpassed means of protection and thrift. The Manufacturers Life takes pride in the part it has played in the growth of life insurance in Canada and throughout the world.

Established 1887

THE
MANUFACTURERS LIFE
INSURANCE COMPANY
HEAD OFFICE • TORONTO, CANADA

The Independent Order of Foresters
Monthly Income During Disability

Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1,000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND, *Supreme Chief Ranger.* HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

Selected Risks mean BIGGER DIVIDENDS for our POLICYHOLDERS

BRANCHES ACROSS CANADA
Vancouver
Kelowna
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax

BY selecting only the highest type of risks this company is able to effect substantial savings for its policyholders, which are returned to them in the form of dividends. In 1935 $1,098,428 were distributed in this way.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-Assessable Policies Assets $6,000,000.

The Sovereign Life Assurance Co.

Report for 1936 Shows Pronounced Progress

More Homes Protected
Continuance of More Incomes Assured
Sound Administration in Policyholders' Interest Maintained

Substantial Increases in all important respects were again made by the Sovereign Life. Principal items from the 1936 Annual Report are as follows:

	1936	1935
Insurance in Force (exclusive of annuities) ..	$28,620,910.00	$27,468.744.00
Net Premium Income..................	901,485.06	773,649.72
Consideration for Annuities	109,360.27	58,346.38
Total Income..........................	1,462,251.00	1,256,351.62
Insurance and Annuity Payments	546,083.24	568,093.25
Policy Reserve	5,344,869.00	4,973,548.00
Total Assets	6,461,240.55	6,120,212.97

Excess of Receipts over Disbursements	$410,011.22
Surplus Earned in 1936	469,142.31
Funds Earmarked for Policyholders' Profits	190,419.00

Investments carefully selected and well distributed. Reserve Funds adequately maintained. Rate of Interest earned in 1936, 5.35%.

— A SATISFACTORY YEAR —

BOARD OF DIRECTORS: W. Sanford Evans, LL.D, President; E. W. Montgomery, M.D., 1st Vice-President; W. F. Hull, K.C., 2nd Vice-President; E. E. Sharpe, K.C., John Martin, William Whyte, John W. Horn, Roy W. Milner, M. D. Grant, F.I.A.

THE SOVEREIGN LIFE ASSURANCE COMPANY
HEAD OFFICE WINNIPEG

The
Wawanesa Mutual
Insurance Company
Canada's Largest Fire Mutual

A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.

Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.

FIRE, WINDSTORM, AUTO, CASUALTY

United States
Fidelity & Guaranty
Company
TORONTO

GENERAL AMERICA COMPANIES

GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE CO. OF AMERICA
GENERAL CASUALTY COMPANY OF AMERICA

ANNUAL STATEMENTS AMERICA GENERAL COMPANIES DECEMBER 31, 1936

H. K. DENT, President
SEATTLE, WASHINGTON

CANADIAN HEAD OFFICE — VANCOUVER, B.C.
Sixth Floor, Standard Bank Building

ASSETS	General Insurance Company of America	**Combined General and First National	General Casualty Company of America
Cash in Banks and on Hand	$ 1,109,649.65	$ 1,147,439.32	$ 208,334.52
*Government Bonds	2,754,939.15	2,985,422.17	549,505.44
*Other Bonds	3,431,514.63	3,598,324.81	2,329,191.23
*Stocks	3,775,625.00	3,775,625.00	254,431.00
Mortgage Loans	369,006.34	369,006.34	125,000.00
Real Estate	209,917.81	209,917.81	....
Premiums in Process of Collection	1,050,773.05	1,050,773.05	437,105.81
Accrued Interest and Rents	63,486.73	67,364.25	42,048.07
Other Admitted Assets	19,723.81	19,723.81	....
Total Assets	**$12,784,636.17**	**$13,223,596.56**	**$3,945,616.07**
LIABILITIES			
Reserve of Unearned Premiums	$ 5,095,149.45	$ 5,095,149.45	$1,215,163.05
Provision for Losses in Process of Adjustment	410,494.03	410,494.03	877,756.54
Provision for Commissions, Taxes and Expense ...	340,625.07	341,484.18	160,761.23
Funds Held Under Reinsurance Treaties	532,753.09	532,753.09	18,282.65
Provision for Dividends to Policyholders	240,000.00	240,000.00	....
Capital	1,000,000.00	1,250,000.00	550,000.00
Special Provision for Unknown Contingencies	675,000,00	675,000.00	85,000.00
Net Surplus	4,490,614.53	4,678,715.81	1,038,652.60
Total	**$12,784,636.17**	**$13,223,596.56**	**$1,673,652.60**
Policyholders' Surplus	**$ 6,165,614.53**	**$ 6,603,715.81**	**$3,945,616.07**

*Bonds are stated at Amortized or Investment Values, stocks at values approved by the National Convention of Insurance Commissioners, and by the Association of Superintendents of the Provinces of Canada.

On basis of December 31, 1936, market quotations for all bonds and stocks owned, the
General Insurance Company's total Admitted Assets would be increased to $13,128,950.39 and Policyholders Surplus to $6,509,928.75
Combined First National & General " " " " $13,620,267.58 " " $7,001,245.94
General Casualty Company's " " " " $ 4,124,464.40 " " $1,852,500.93

**** All policies of the First National Insurance Company are entirely reinsured and guaranteed by the General Insurance Company, wherefore First National policyholders are protected by the combined resources of both companies.**

GROWTH OF COMPANIES IN PERIODS OF YEARS: —

GENERAL INSURANCE COMPANY OF AMERICA:

	Assets	Premiums Written	Surplus to Policyholders	Unearned Premiums
1923	$1,466,000	$ 340,000	$1,266,000	$ 166,000
1926	4,140,000	2,721,000	2,004,000	1,744,000
1929	6,373,000	3,624,000	3,040,000	3,040,000
1932	7,574,000	2,866,000	3,111,000	2,596,000
1935	11,799,000	5,114,000	5,693,000	4,537,000
1936	12,784,000	5,277,000	6,165,000	5,095,000

GENERAL CASUALTY COMPANY OF AMERICA:

	Assets	Premiums Written	Surplus to Policyholders	Unearned Premiums
1925	$ 484,000	$ 217,000	$ 301,000	$ 106,000
1927	829,000	533,000	369,000	274,000
1929	2,094,000	1,063,000	1,229,000	520,000
1931	2,402,000	1,419,000	1,216,000	677,000
1933	2,712,000	1,100,000	1,083,000	802,000
1935	3,414,000	2,112,000	1,443,000	1,159,000
1936	3,945,000	2,349,000	1,673,000	1,215,000

"GENERAL" Protection and Service — None Better at Any Price

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING FEBRUARY 15

Range 1937 High	Low	Div R'te $	Feb13 Y'ld %		Sales	Last Feb. 8	Week end. Feb. 15 H	L	Cl'se
				A					
10¼	6¼	.	...	Abitibi	74588	7⅞	9¼	6¼	9¼
57	41½	.	...	Do. pref. 6%	8513	50	50	43	48½
85	70	.	...	Do. pref. 7%	....	(— bid 86 asked)			
56	41	.	...	Do. cert. dep.	192	48½	47½	43	45
5⅞	5	10c	...	Acadia Sugar	95	5½	5½	5	5½
18½	15	50c	3.3	Acme Glove	200	17	17½	15	15
94	93	6.50	6.9	Do. pref.	....	(— bid 92 asked)			
12	8½	40c	4	Agnew Surp.	35	10	10	10	10
110	107	7	6.5	Do. pref.	45	107½	107	107	107
7	4½	.	...	Alta. Pac. Gr.	560	5⅞	5⅞	4½	4½
43½	28	.	...	Do. pref.	145	36	36	34	34
116	116	.	...	Aluminum	....	(116 Jan. 7)			
6	5	.	...	Amal. Electric	50	6	6	6	6
31	29	.	...	Do. pref.	....	(31 bid — asked)			
35⅞	33½	60+40c	...	Amer. Cyn. B.	....	(— bid 40 asked)			
54½	53	3.50	6.4	Ang. C. Tel., p.	70	54	54½	54	54½
112	93	.	...	Asbestos	2579	101½	100	93	95
13	11	60+25c	..	Assoc. Brew.	1026	12½	12⅞	12½	12½
110½	107½	7	6.4	Do. pref.	10	110½	107⅞	107⅞	107⅞
†8½	7½	.	...	Assoc. T. & T.A.	....	(— bid 8½ asked)			
54	54	42c	...	Do. pref.	20	57	54	54	54
102½	102½	.	...	Ault, Wiborg p	5	102½	102½	102½	102½
				B					
60	57	2.25	3.8	Bank of Canada	190	58½	59	58	58
155½	143	8	5.2	Bk. Can. Nat.	38	155½	155½	153	154½
245	219	8	3.4	Bk. Montreal	210	240	241	238	238
340	312	12	3.6	Bk. N. Scotia	38	335	335	330	330
270	260	10	3.7	Bk. Toronto	46	265	267	266	266
†13½	4½	75c	...	Barcelona	....	(4 bid — asked)			
20½	17½	.	...	Bathurst Pr.	3050	18	18	17⅞	17½
8½	7½	.	...	Do. (B)	1457	8	8	7⅞	7⅞
5⅞	3⅞	.	...	Bawlf Grain	70	4½	4½	4½	4½
38	26½	.	...	Do. pref.	....	(25½ bid 30 asked)			
10	4½	.	...	Beath & Sons	30	4⅞	4⅞	4⅞	4⅞
21½	17½	.	...	Beatty Bros. A.	1075	19	21	18½	20
107	100	6	5.6	Do. pref.	10	106	107	107	107
10	6½	.	...	Beauharnois	9218	8	9	8	8⅞
107	107	4	3.7	Belding Cort.	....	(107 Feb. 4)			
130	126	7	5.4	Do. pref.	....	(130 Jan. 31)			
179	156	6	3.6	Bell Telephone	669	165	170	165	167½
15	13½	.	...	Biltmore Hats n	305	14½	15	14⅞	15
110	110	7	6.4	Do. pref.	....	109½ bid 113 asked			
8⅞	8½	.	...	Bissell, T. E.	....	(9 bid — asked)			
48½	45	.	...	Do. pref.	10	46	48½	48½	48½
6⅞	4½	.	...	Blue Ribbon	50	5½	4½	4½	4½
40	35	2	5.4	Do. pref.	130	36	37	36	36
26½	25⅞	32½c	..	Brant. Cord. pf.	160	25⅞	26½	26½	26½
25⅞	18½	40c	...	Brazilian Tr.	43372	24⅞	25⅞	23½	25½
9	7½	1•	...	Brew. & Distil.	612	8	8½	7⅞	8
4	2⅞	.	...	Brewing Corp.	6395	3½	3½	3	3½
20⅞	14½	1.50	8.3	Do. pref.	1320	18½	19	17	18
6	6	30c	5	Bright, T. G.	100	6	6	6	6
†82	75½	6	...	Do. pref.	....	(75½ bid — asked)			
25⅞	22½	80c	3.2	Brit. Amer. Oil	11322	25½	25⅞	24⅞	25⅞
19	16½	.	...	B. C. Packers	190	17⅞	18	16½	16½
39½	37½	1.60	4.2	B. C. Power A.	4838	38½	38½	37½	37⅞
11½	10	.	...	Do. (B)	175	10⅞	10½	10½	10½
12	7⅞	40c	3.8	Bruck S. Mills.	905	11	11½	10½	10½
66	56½	1.40+50c	.	Building Prod.	785	63	65	63	64
8	6⅞	.	...	Burry Biscuit	....	(6½ bid 7½ asked)			
†75	51	3	4.6	Do. pref.	....	(60 bid 65 asked)			
44½	41½	2	4.6	Burt, F. N.	40	43	43	42	43
				C					
†120	120	.	...	Calgary Power	....	(120 Sept. 28, '36)			
87	79	6	6.9	Do. pref.	10	85	87	87	87
10½	8	.	...	Canada Bread	1670	8½	9½	8½	8½
103	102½	5	4.8	Do. pref.	....	103 bid 103½ asked			
58½	51½	62½c	..	Do. pref. B	5	58	58½	58½	58½
10½	8½	40c	...	Canada Bud	860	9½	9½	8⅞	8⅞
17½	15½	.	...	Canada Cement	215209	16	17½	15⅞	17
108	103	1	...	Do. pref.	443	107½	107½	106½	107
68½	68	1.50+2	..	C. & D. Sugar	....	(71 bid — asked)			
b32⅞	27½	.	...	Canada Dry	20400	28⅞	29	27½	30⅞
20⅞	18½	.	...	Can. Forg. (A)	185	19½	19½	19	19
17	14	.	...	Do. (B)	....	(13 bid — asked)			
30	30	.	...	Can. Iron	....	(30 bid — asked)			
66½	66½	3	4.5	Do. pref.	....	(67 bid — asked)			
37⅞	34	1.50+50	..	Can. Malting	1540	37	37⅞	36½	37½
29½	26½	1.20	4.3	Can. Nor. Pr.	435	27½	28	26⅞	27⅞
112	109	7	6.3	Do. pref.	98	110½	112	111	112
95	86	3	3.2	Can. Packers	342	91	95	90	95
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1⅞	.	...	Can. Paving, pf.	....	(3 bid 6 asked)			
156	146	8	5.2	Can. Perman.	135	154	156	154	154
25	25	.	...	Can. Starch	....	(25 bid — asked)			
†95	95	7	...	Do. pref.	....	(100 bid — asked)			
4	2½	.	...	Can. Steamsh's	420	3	3½	3	3½
6½	6½	.	...	Do., new	....	(5⅞ bid — asked)			
10	6⅞	.	...	Do. pref.	1546	7½	7⅞	7½	7⅞
21	19	1.20	6	Can. Vinegars	255	20	20	19⅞	20
65	56	.	...	Can. W. Cable	125	63	65	64	65
30	19	.	...	Do. (B)	155	25	30	27	29
115	114	1.75▲	...	Do. pref.	3	115	114	114	114
6	5½	.	...	Can. Bakeries	35	6	6	6	6
73	67	.	...	Do. pref.	25	73	71	70	70
211	183	8	3.9	Can. Bk. Com.	162	205	205	203	204
61½	58	1+75c	..	Can. Bronze	295	60	60	58½	60
109	105½	5	4.6	Do. pref.	8	107½	109	107½	109
9	8	.	...	Can. Canners	275	8½	9	8	9
20½	18⅞	.	...	Do. 1st pfd.	635	20	19⅞	18⅞	19⅞
12½	10⅞	.	...	Do. 2nd pfd.	735	11½	11½	10⅞	11
21⅞	18½	.	...	Can. Car & Fd'y	4310	18⅞	19	18½	18½
32	28	.	...	Do. pref.	1615	30½	30	29½	29½
27⅞	24⅞	40c	...	Can. Celanese	1155	27½	27½	26½	26⅞
125	121	7	5.7	Do. pref.	55	122	122	121	122
21½	21	.	...	Do. Rights	535	21½	21	21	21
32	29	2	6.7	Can. Convert.	25	30	30	30	30
71	65½	4	5.6	Can. Cottons	....	(69 bid — asked)			
108	105	6	5.7	Do. pref.	14	105	108	105	105
46½	43	2+1	6.7	Can. Dredge	295	43½	45	43½	45
101	101	6	5.9	Can. Fairb. pf.	....	(101 bid — asked)			
30	26	1.60	5.7	Can. For. Inv.	600	29½	29	28	28
107	107	8	7.5	Do. pref.	....	(107 bid 112 asked)			
†205	150	5	2.4	Can. Gen. Elec.	....	(207 bid — asked)			
11½	9⅞	50c	...	Can. G. Inv.	....	(11 bid — asked)			
81½	72⅞	.	...	Can. Hyd. E. p.	2014	79	79	77⅞	78⅞
8½	6½	.	...	Can. Ind. Alc.	5975	6½	6⅞	6½	6½
7⅞	5	.	...	Do. (B)	735	6	6	5½	5½
243	240	3.50	...	Can. Indust. B.	....	(— bid 242 asked)			
5	3½	.	...	Can. Int. I. Tr.	730	4½	4⅞	4⅞	4⅞
93½	93	2.50	...	Do. pref.	125	93	93½	93	93½
21	19	1	5.1	Can. Lt. & Pr.	....	(— bid 21 asked)			
23½	17	.	...	Can. Locomo.	665	19	19	17	18
3⅞	1⅞	.	...	Can. Marconi	6435	2½	2⅞	2½	3⅞
19	14	50c	3.1	Can. Oil	119	15⅞	16	15	15
135	126	8	6.2	Do. pref.	10	126	131	130	131
17½	14½	.	...	Can. Pacific	20487	16⅞	17	16½	16⅞
7⅞	5	.	...	C. Pr. & Pa. In.	1	6	6	6	6
27½	18	.	...	Do. pref.	90	21	23	21	21
16	12⅞	.	...	Can. Vickers	441	14	14	13⅞	13½
65	53	.	...	Do. pref.	5	60	55	55	55
†30½	24	1.25	...	C. Wallpaper A.	....	(25 bid 26 asked)			
27½	25	1.25	...	Do. (B)	....	(25 bid 26 asked)			
†80½	64	2	...	Can. West'ho'se	....	(65 Dec. 6, '36)			
4	2½	.	...	Can. Wineries	300	3½	3½	3	3
25	23	1.50	...	Can. Wire Box.	45	24	24	23⅞	24
9.50	7.50	.	...	Capital Estates.	40	7.75	7.80	7.80	7.80
107	103½	5	4.7	Carnation, pfd.	35	104½	107	105	107
10	6½	25c	...	Catelli Food	435	10	10	9	10
11⅞	10	75c	...	Do. pref.	35	10½	11	10½	10½
†165	150	8	...	Cent. Can. L'n.	....	160½ bid 190 asked			
1.44	1.20	.	...	Chem. Research	5650	1.25	1.28	1.20	1.21
1.80	1.25	.	...	City Gas & El.	20	1.75	1.50	1.50	1.50
.80	.40	.	...	Claude Neon	2120	.55	.75	.55	.70
13½	12½	1.08	8.3	Coast Brew.	558	13	13½	13	13
17	14½	.	...	Cockshutt Plow	3970	16⅞	16⅞	16½	16½
4	2⅞	.	...	Comm. Alcohol	740	3	3½	2⅞	3
22	20½	80+20c	..	Cons. Bakeries	2493	21	22	20⅞	21½
18½	10⅞	.	...	Cons. Paper	17484	16	17	13⅞	16⅞
19	12½	.	...	Cons. Press.	65	17⅞	19	18	19
60	47	.	...	Cons. Sand, pf.	20	47	60	60	60
81½	74½	50c+$1	..	Cons. Smelters	4329	76	78½	75½	77½
207	201	10	4.8	Consumers' Gas	208	205	206⅞	205	206
93	89	7	7.5	Corr. P. Box, p.	....	(91 bid 94 asked)			
27½	25	80c	3.1	Cosmos Imp.	230	25	26½	25½	26½
104½	104½	5	4.8	Do. pref.	....	(105 bid — asked)			
22	16	80c	3.6	Crown Cork	360	21½	22	20½	20½
2½	1½	.	...	Crown Dom. Oil	10	2	2½	2½	2½
50	43	7	...	Crow's N. Coal.	....	(46 bid 49 asked)			
				D					
5⅞	4	.	...	David & Fre. A	81	4	5⅞	5½	5⅞
†1½	1	.	...	Do. (B)	....	(— bid 2½ asked)			
21½	15	.	...	De Havilland	3120	17	21½	18	20½
82	67	.	...	Do. pref.	20	80	82	80	80
5	5	.	...	Disher Steel	....	(4 bid 8 asked)			
17	15½	.	...	Do. pref.	....	(17 bid 20 asked)			
28⅞	24⅞	.	...	Distill-Seagram	4457	24⅞	25½	24⅞	24⅞
94½	94	1.25	...	Do. pref.	....	(94 Jan. 25)			
..	..	.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
..	..	5+1.25	..	Do. pref.	....	(91 bid — asked)			
250	234	10	4.1	Dom. Bank	53	250	248	243	244
57½	54	1.20	2	Dom. Bridge	2407	56⅞	57½	56½	56½
21½	19⅞	1.50	7.1	Dom. Coal, pf.	1030	21½	21½	20½	21
65	62	.	...	Dom. Engineer.	135	65	65	65	65
120	90	.	...	Dom. Foundries	....	(120 bid — asked)			
116½	110	5	4.3	Dom. Glass	170	114	116	115	116
153	150	7	4.6	Do. pref.	10	150	151	151	151
43½	41	.	...	Dom. Oilcloth	300	41	41⅞	41⅞	41⅞
†102½	95	7	6.8	Dom. Rubber, p	....	(100 bid — asked)			
19½	12½	.	...	Dom. St. & C.B.	28709	18⅞	18⅞	17½	17⅞
11½	10	.	...	Dom. Stores	1490	11	11⅞	10⅞	11
18½	15½	.	...	Dom. Tar & Ch.	1292	17	17½	16	16½
117	109	.	...	Do. pref.	75	115	114	114	114
80	73	5	6.3	Dom. Textile	476	80	80	78½	79½
148	145	7	4.8	Do. pref.	....	(145 bid 149 asked)			
17	14	.	...	Donnacona P. A.	3209	15	15	14½	14⅞
16½	13½	.	...	Do. (B)	520	14½	14½	13½	14½
16	13⅞	.	...	Dryden Paper	790	15	14½	14	14
				E					
7	2	.	...	East. Koot. Pr.	....	(— bid 7 asked)			
38	14	.	...	Do. pref.	55	33	28	24	24
5	2⅞	.	...	East. Dairies	115	4	3⅞	3⅞	3⅞
30	17½	.	...	Do. pref.	80	24	24	23	23
24	19	1	...	East. Steel	160	21	22	20	21
109	109	7	6.4	Do. pref.	....	(106 bid 109 asked)			
†85	72⅞	7	...	East. Theat., pf.	....	(— bid 80 asked)			
9½	4⅞	.	...	Easy Washing	663	8½	8½	7⅞	7⅞
37	34	1	...	Economic Inv.	85	35	37	36	36
24	21½	1.60+10c	.	Electrolux	1230	22	22½	21½	22½
8	5½	.	...	Enam. & Heat.	385	7½	7½	7	7
37	30	.	...	English Electric	64	30	34	32	23
16⅞	14	.	...	Do. (B)	60	15	14	14	14
7	5½	.	...	Equitable Life	45	7	7	6	6½
10½	10	60c	...	European El. A.	100	10	10	10	10
.65	.65	.	...	Do. Warrants	....	(50 bid — asked)			
				F					
13	9	.	...	Fairchild Air.	4780	9⅞	11½	9⅞	11½
35	24	60c	...	Fam. Players	25	29½	31½	30	30
34	34	60c	...	Do. Vot. Tr.	....	(30 bid 35 asked)			
24	22	50+37½c	.	Fanny Farmer	2125	23⅞	23⅞	22⅞	23⅞
29⅞	22½	1	3.5	Ford Motors A.	18624	28½	29⅞	27½	28½
2½	1½	.	...	For. Pr. Secs.	205	2½	2½	2	2
28½	24½	.	...	Foundation Co.	327	26	26	25	25½
34½	30	.	...	Fraser Cos.	378	31½	31½	30	30½
34½	29½	.	...	Do. Vot. Tr.	4485	31½	31½	29½	30
52	45	.	...	Freiman, pf.	45	48	48	48	48
11	7	.	...	Frost Steel	25	7	7½	7½	7½
104	100½	5.25	...	Do. pref.	....	(105½ bid — asked)			
				G					
17½	8	.	...	Gen. St. Wares.	3995	16⅞	17	16	16
100	76	.	...	Do. pref.	342	100	99⅞	96	97
90	86	2.50+2.50		Goodyear Tire	464	87	90	87	90
57	55½	2.50	4.5	Do. pref.	738	56½	56½	55½	56
[illegible]	2½	.	...	Gt. W. Saddlery	280	3½	3½	3	3
39	29½	.	...	Do. pref.	....	(34 bid 40 asked)			
15½	7½	20c	...	Gurd, Chas.	3740	13	15½	12⅞	13⅞
100	95	7	7	Do. pref.	....	(95 bid — asked)			
17½	14	.	...	Gypsum, Lime	5495	15½	15½	14⅞	14⅞
				H					
17	12⅞	.	...	Ham. Bridge	975	16⅞	16⅞	15⅞	16½
85	63	.	...	Do. pref.	20	80	79	79	79
36	30	2	5.6	Ham. Cot., pf.	....	(35½ bid 38 asked)			
3⅞	2⅞	.	...	Ham. U. Theat.	80	3	3	3	3
69	65½	5	7.6	Do. pref.	....	(66½ bid 69 asked)			
7	5⅞	5c	...	Harding Carpet.	660	6	6½	6	6
†9	1½	.	...	Hillcrest Coll.	....	(— bid 10 asked)			
17	15	.	...	Do. pref.	40	17	17	17	17
22½	20	1	...	Hinde & Dauch	660	20½	21½	20½	20½
14	14	.	...	Holt Renfrew	....	(16 bid 57 asked)			
57	56	.	...	Do. pref.	....	(57 bid — asked)			
1.75	.60	.	...	Honey Dew	3800	.95	1.50	.85	1.25
14	12	.	...	Do. pref.	45	14	14	14	14
23½	18½	.	...	H. Smith Pap.	1251	22	22½	21	22
102	100	3	...	Do. pref.	115	101	101	100	101
32⅞	32	2	6.1	Humberstone S.	50	32½	32⅞	32½	32½
14	12½	.	...	Hunts (A)	20	12½	12½	12½	12½
4	4	.	...	Do. (B)	....	(11 bid 15 asked)			
90	72	5	5.6	Huron & E. Mt.	90	90	90	80	90
14	11	.	...	Do. 20% pd.	120	13½	14	13½	14
11½	8⅞	.	...	Hydro Electric	....	(11 bid 11⅞ asked)			
				I					
251½	234	10	4	Imperial Bank	29	249	250	249	250
22½	21	50+75c	5.6	Imperial Oil	27562	21⅞	22½	21½	22
14⅞	13⅞	52½c	3.7	Imperial Tob.	11250	14½	14⅞	14½	14⅞
7⅞	7⅞	6%	...	Do. pref.	25	7⅞	7⅞	7⅞	7⅞
38⅞	34	.	...	Indust. Accept.	321	36	36	35½	35½
39½	38	2	...	Inter-City Bak.	150	38	38	38	38
†49	40	4+2	...	Inter'c Coal	....	(— bid 44 asked)			
†130	115	8	...	Do. pref.	....	(120 bid — asked)			
†.20	.20	1c	...	Int. Coal & C.	....	(.20 bid — asked)			
16⅞	8⅞	.	...	Int. Hyd. E. A.	36500	15⅞	16½	14⅞	15½
18½	16	.	...	Int. Metal Ind.	500	16½	17½	16½	16½
100	90½	.	...	Do. pref.	865	95	100	95	100
105	102½	5	4.8	Int. Mill., pf.	135	103½	103½	103½	103½
65⅞	62½	2	3.1	Int. Nickel	15249	65	65½	64	64½
11	6½	.	...	Int. Paints	440	10⅞	10⅞	10	10⅞
20	19	75+25c	..	Do. pref.	157	19½	19½	19	19
b21⅞	16⅞	.	...	Int. Pa. & P.A.	4900	17½	18⅞	17½	17½
b14½	11½	.	...	Do. (B)	3000	12	13½	11⅞	12
b7½	5⅞	.	...	Do. (C)	14100	6½	6⅞	6½	6½
b108⅞	90½	.	...	Do. pref.	8300	100	102⅞	98	98
36	33½	1.50+1	7.2	Int. Pete.	12072	34⅞	35⅞	34½	34⅞
12½	5	.	...	Int. Power	160	9½	10	9½	9⅞
98	90	6	6.4	Do. pref.	46	95	95	94	94
†15½	13	1.12	...	Int. St. Rly. A.	....	(— bid 13 asked)			
21½	15⅞	.	...	Int. Util. (A)	2555	20½	21½	20	20⅞
3½	1⅞	.	...	Do. (B)	37630	2½	3½	2½	2⅞
				J					
36½	35	1.75	...	Jam. Pub. Ser.	10	35½	35	35	35
132	131	7	5.3	Do. pref.	5	132	131	131	131
				K					
39	30½	1.25	...	Kelvinator	880	37½	39	36½	38⅞
106½	106½	7	6.6	Do. pref.	10	106½	106½	106½	106½
				L					
43½	38	.	...	Lake of Woods.	240	39	39½	38	38
152	150	7+14	4.6	Do. pref.	....	148½ bid 157 asked			
65	55½	5	7.7	Landed Bank	....	(65 bid 68 asked)			
21	15½	17½c	..	Lang, J. A.	1595	20	20½	19⅞	19⅞
6	4½	.	...	Langley's	....	(4½ bid 6 asked)			
65	55	.	...	Do. pref.	5	60	55	55	55
77	72	3	4	Laura Secord	10	76	74	74	74
15	8	.	...	Lindsay, C. W.	95	13	13	13	13
78	70	.	...	Do. pref.	5	75	78	78	78
24⅞	23½	1	4.1	Loblaw (A)	335	24⅞	24⅞	24½	24⅞
22⅞	21	1	4.4	Do. (B)	225	22⅞	22⅞	22	22⅞
				M					
†10½	2⅞	.	...	MacKin. Steel	....	(6 bid 11 asked)			
64	64	.	...	Do. pref.	....	(60 bid — asked)			
37½	29½	.	...	Maclaren Pr. p.	1145	30	30½	29½	30
.25	.25	.	...	M. L. Gardens.	....	(.50 bid 1.25 asked)			
5	2½	.	...	Do. pref.	10	5	3	3	3
11	6½	.	...	Maple Leaf	763	9⅞	9⅞	9½	9⅞
12⅞	9½	.	...	Do. pref.	95	10½	10½	10	10
*12½	12	60+10c		Maritime Tel.	....	(16⅞ bid 18 asked)			
†15	15	70c	...	Do. pref.	....	(16⅞ bid — asked)			
†18	13	.	...	Marcus Loew's.	....	(— bid 20 asked)			
125	125	7	5.6	Do. pref.	50	116	125	125	125
10½	8½	.	...	Massey-Harris	20510	9⅞	10½	9½	9⅞
65	52½	.	...	Do. pref.	1722	62	62	59½	59½
14½	15½	80c	5.8	McColl Fron.	4753	13⅞	14	13⅞	13⅞
100⅞	99	6	6	Do. pref.	295	99⅞	100	99½	99½
14½	12⅞	50c▲	..	Melchers (A)	390	13½	14	13½	13⅞
5	4	.	...	Do. (B)	175	4⅞	4½	4	4
32	23	.	...	Mercury Mills p	55	27½	30	27½	30
50	49	2	...	Mitchell, J. S.	....	(50 bid — asked)			
†110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
30	21½	.	...	Mitchell, Robt.	3080	25	27⅞	24⅞	27½
5½	5	.	...	Monarch Knit.	20	5	5½	5½	5½
86	83½	7	8.3	Do. pref.	....	(70 bid 80 asked)			
40	36	.	...	Montreal Cot.	....	(36 bid — asked)			
108	105	7	6.5	Do. pref.	10	108	108	108	108
1	1	.	...	Mont. Is. Pr.	....	(2 bid 5 asked)			
37½	34	1.50	4.2	Mont. L. & Pr.	10331	35⅞	36	35⅞	35½
31	28	2	6.7	Montreal Loan.	....	(30 bid 35 asked)			
13½	13	.	...	Mtl. Ref. & S., p	....	(15½ bid — asked)			
1⅞	1⅞	.	...	Do. Vot. Tr.	....	(1½ bid — asked)			
65	58	3.20	5	Montreal Tele.	45	65	64	64	64
100	91½	9	9.2	Montreal Trams	77	95	98	96	97
44½	43½	1.60	3.6	Moore Corp.	795	43⅞	44⅞	43⅞	43⅞
186	180	7	3.8	Do. pref. (A)	16	184	184	184	184
265	258	7	2.7	Do. pref. (B)	6	258	260	260	260
1½	1	.	...	Muirheads	725	1	1½	1	1
5	5	.	...	Do. pref.	....	(5½ bid — asked)			
				N					
42½	39⅞	2	4.8	Nat. Breweries.	1911	41½	41⅞	41	41
43½	41½	1.75	4	Do. pref.	112	42	43½	42	43½
9½	8⅞	.	...	Nat. Grocers	1395	9	9	9	9
139	137	7	5.1	Do. pref.	5	138	138	138	138
21½	20	.	...	N. Sew. Pipe, A	25	20⅞	20⅞	20	20
57½	51⅞	.	...	Nat. Steel Car.	1567	52	52½	50½	50½
210	206	8	3.9	National Tr.	5	210	206	206	206
54	44	40c	...	Niag. W. Weav.	140	52	53	51	51
4	2½	.	...	North Star Oil.	....	(2½ bid 3 asked)			
4⅞	4½	17½c▲	..	Do. pref.	220	4½	4½	4½	4½
†93	61	5	...	N. S. L. & Pr.	....	(97 bid 100 asked)			
†104	100⅞	6	...	Do. pref.	....	(113 bid — asked)			
37	9½	.	...	N. S. Steel, pf.	63	31	30	26	26
				O					
275	245	8	3	Ogilvie Flour	35	269	270	264½	265
168	155	7	4.5	Do. pref.	1	166	155	155	155
110	106	5	4.5	Ontario Loan	30	110	110	110	110
7½	7	.	...	Ont. Silknit	....	(— bid 10 asked)			
†90	75	7	8.7	Do. pref.	....	(— bid 75 asked)			
18⅞	15	.	...	Ont. Steel	13	17	18	18	18
†120	74	3.50	...	Do. pref.	....	(115 bid — asked)			
3½	2	.	...	Orange Crush	....	(3 bid 3½ asked)			
10	6½	.	...	Do. pref.	....	(7½ bid 9½ asked)			
100	95	6	6.2	Ott. L. H. & Pr.	35	96	96	95	95
105	104	5	4.8	Do. pref.	14	104	104	104	104
20½	19½	2	10	Ott. Traction	81	20	20½	19½	20
				P					
102	98	3+25c	..	Page Hersey	270	99½	102	99½	101
9⅞	7½	.	...	Pantepec Oil	1820	7⅞	8½	7⅞	7⅞
20	20	.	...	Paton Mfg.	....	(— bid 24 asked)			
†110	100	7	6.4	Do. pref.	....	(111 bid — asked)			
63⅞	61	3	4.8	Penmans	90	63½	63	63	63
130	127	6	4.7	Do. pref.	85	130	127	127	127
26½	23½	1	4.2	Photo Eng.	75	23½	25½	23½	23½
101	96	7	6.9	Porto Rico Pr p	....	(100 bid 101 asked)			
33⅞	26⅞	25c	...	Power Corp.	6397	32½	33⅞	31½	31½
107	104	6	5.6	Do. pref.	27	105½	107	105	107
3⅞	2½	.	...	Prairie C. Oil.	....	(2½ bid 2½ asked)			
36	33	1.75+62½c		Pressed Metals	1795	33	36	33½	35⅞
41½	25	.	...	Price Bros.	7380	36½	37	35	37
135	98	.	...	Do. pref.	970	131	130	126	129⅞
78	78	.	...	Do., new	....	(78 Jan. 30)			
5	2	.	...	Do. Rights	7145	3⅞	3⅞	3½	3⅞
				Q					
25⅞	22½	1	4.1	Quebec Power	2415	24⅞	24⅞	23½	23½
4½	4½	.	...	Que. Telephone	10	4½	4⅞	4⅞	4⅞
				R					
40	40	2	5	Real Estate L'n	....	(40 bid 50 asked)			
10½	8⅞	.	...	Regent Knit.	800	10⅞	10½	10	10½
23½	19	1.60	7	Do. pref.	....	(23 bid 24 asked)			
14½	12½	.	...	Reliance Grain.	....	(12 bid 14 asked)			
27½	22	60c	...	Remington R'd.	160	26½	27½	26½	27
33	31	2+1.75	..	River. S. Mills.	120	31½	32	32½	32
8⅞	7½	.	...	Rogers Majest.	1815	8⅞	8½	8	8½
29	26	25c	...	Rolland Pap.	....	(27 bid — asked)			
30½	25	.	...	Do. Vot. Tr.	219	29	28	27½	28
106½	103½	6	5.7	Do. pref.	35	105½	106½	105	106½
11⅞	11⅞	50c	...	Root Petroleum	....	(— bid 14 asked)			
226	200	8	3.6	Royal Bank	221	223½	225	222	225
60	56	1.50	...	Russell Motor	....	(60 bid — asked)			
112	110	7+1▲	6.2	Do. pref.	....	(113 bid 118 asked)			
				S					
102½	100	5.50	5.4	Saguenay Pr. p	166	100⅞	102½	101	102½
22	13	.	...	Sarnia Br. (A).	....	(15½ bid — asked)			
16	8	.	...	Do. (B)	....	(10 bid — asked)			
33½	29½	80c	2.4	Shawinigan Pr.	5423	33½	33½	32½	33
26½	24½	.	...	Sher. Wms.	160	25½	25½	24⅞	25
130	127	7	5.4	Do. pref.	35	130	130	130	130
16	14	25c	...	Simon & Son	....	(— bid 15½ asked)			
101	100	7▲	...	Do. pref.	....	(100 bid — asked)			
110	99⅞	4	3.8	Simpson, pf.	200	107½	108½	104⅞	105
38	20	.	...	Do. (A)	185	32	38	32	36
17	11½	.	...	Do. (B)	110	14	15	13⅞	14⅞
122	118	6	4.9	Simpson, R., pf.	175	119⅞	122	120	120
18½	14½	80c	4.6	So. Can. Pr.	1165	17	18½	16½	17
108	104	6	5.6	Do. pref.	130	105	108	107½	107½
11⅞	8½	.	...	St. Law. Corp.	8397	10⅞	10½	9	10⅞
30½	25	.	...	Do. (A)	4360	29½	29⅞	27½	28½
73	72	3	4.1	St. Law. Flour.	....	(66 bid — asked)			
140	140	7	5	Do. pref.	....	(— bid 140 asked)			
77½	68	.	...	St. Law. Pap. p.	915	75	73½	71	72
15⅞	11⅞	.	...	Stand. Chem.	356	14½	14⅞	11⅞	14½
14	8	.	...	Stand. Clay	....	(14 bid — asked)			
8⅞	6	.	...	St. Pav. & Mat.	445	6⅞	6⅞	6½	6½
59	43	.	...	Do. pref.	70	49	50	50	50
49½	46	75+75c▲	.	Stand. Steel, pf.	....	(46 bid 49 asked)			
90	80	1.75‡	2	Steel of Can.	2895	84	90	83	89½
83	73	1.75	2.2	Do. pref.	933	77	83	75½	82
4	3½	.	...	Sterling Coal	....	(4 bid 4½ asked)			
3½	1½	.	...	Stop & Shop	20	2	2	2	2
†2⅞	2	.	...	Supersilk H.	....	(3½ bid — asked)			
†80	66	3.50	...	Do. pref.	....	(81 bid — asked)			
37	33½	1	2.8	Sup. Pete. ord.	35	37	35	35	35
36	36	1	2.8	Do. com.	....	(36 bid 42 asked)			
17	17	80c	4.7	Stuart, D. A. p.	100	17	17	17	17
				T					
16⅞	15⅞	80c	4.7	Tamblyn	1975	16½	16⅞	16½	16⅞
54	52½	2.50	4.7	Do. pref.	....	(54 bid — asked)			
2½	1⅞	.	...	Thayers	....	(2½ bid 3 asked)			
25	19	2.50	...	Do. pref.	20	25	25	25	25
2	1½	.	...	Thrift Stores	25	2	1⅞	1⅞	1⅞
8	7	.	...	Do. pref.	35	7	7	7	7
11⅞	10	25c	...	Tip Top Tailors	150	10½	10½	10	10
108	106	7	6.5	Do. pref.	....	(108 bid 109 asked)			
5½	2	.	...	Tooke Bros.	35	5½	5	4½	4½
34⅞	21	.	...	Do. pref.	5	33	30	30	30
40	37	1	2.6	Tor. Elevators	470	38	38⅞	38	38½
118	110	7	6.2	Do. pref.	175	113	115	112⅞	115
52	51½	.	...	Do. pref., new	30	51⅞	51⅞	51⅞	51⅞
110	102	4	3.9	Tor. Gen. Tr.	5	110	102	102	102
125	125	6	4.8	Toronto Mtge.	....	(125 bid — asked)			
159	153	7	4.4	Tuckett Tob. pf.	60	159	159	159	159
18	14	.	...	Twin City	....	(13 bid 16 asked)			
				U					
19	16½	35c	...	Union Gas	3270	17	17½	17	17
26	20	60+10c	..	Un. Amuse. A.	40	20	26	26	26
†15	15	60+10c	..	Do. (B)	....	(25 bid — asked)			
1.15	.85	.	...	United Distill.	400	1.00	1.05	1.00	1.00
62½	51½	.	...	United Fuel, pf.	560	58	60	56⅞	58
25	25	2	8	United Secs.	....	(24 bid — asked)			
10½	7⅞	.	...	United Steel	7290	9½	9⅞	8⅞	8⅞
				V					
8	5	.	...	Viau Bisc.	30	8	7	7	7
57	50	.	...	Do. pref.	75	50	57	57	57
				W					
27	23	25c	...	Wabasso Cot.	60	24	24	23	23
49½	45½	2	4.2	Walker-Good.	5436	47½	48½	46	47½
20	19½	1	5.1	Do. pref.	1121	19½	20	19⅞	19⅞
3½	2½	.	...	Walkerville Br.	1995	2⅞	3½	2⅞	2⅞
4	2½	.	...	Waterloo Mfg.	1205	3	3½	3	3½
12½	10½	.	...	West. C. Flour	215	11	11	10½	10⅞
90	80	.	...	Do. pref.	5	85	85	85	85
70	65	2.40	3.4	West. Grocers	40	68	70	70	70
120	120	7	5.8	Do. pref.	....	(117½ bid — asked)			
18½	17½	80+10c	..	Weston Ltd.	2115	18	17⅞	17½	17⅞
106½	104½	5	4.8	Do. pref.	20	104½	105½	104½	104½
8	4	.	...	Windsor Hotel	....	(5 bid 7 asked)			
23	12	.	...	Do. pref.	45	22	22½	22	22
10½	4⅞	.	...	Winnipeg El. A.	2369	7½	8	7	7⅞
10	4⅞	.	...	Do. (B)	275	7⅞	7½	7	7½
44	30	.	...	Do. pref.	73	38	38	37	37
60½	53	.	...	Wood, A. & J. p	5	60	60½	60½	60½
85	78	.	...	Woods Mfg., pf.	47	82½	83	82½	83
				Z					
6⅞	5½	.	...	Zimmerknit, c.	60	6½	6⅞	6⅞	6⅞
92	92	7	...	Do. pref.	....	(96 bid 98 asked)			

* Quotations for 1935. No sales recorded in 1936-37 to date.
† 1936.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus 1% paid Jan. 2, 1937.
▲ Capital distribution.

Government Bonds

Dominion Guaranteed Bonds

Canadian National Railways:

Feb. 17, 1937		Bid	Ask.	Approx. Yld.
3	1 May '44 ...	101.50	102.50	2.61
3	15 Dec. '50 ...	97.00	98.00	3.29
3	15 Feb. '53 ...	96.50	98.00	3.21
*4½	1 Sept. '51 ...	111.50	112.50	3.40
*4½	1 Feb. '56 ...	111.50	112.50	3.58
†4½	1 July '57 ...	111.00	112.00	3.66
*4¾	15 June '55 ...	114.00	115.00	3.63
5	1 Feb. '54 ...	114.25	115.25	3.78
*5	1 July '69 ...	115.25	116.25	▲3.13
*5	1 Oct. '69 ...	116.00	117.50	▲3.60

Provincial Government Bonds

		Bid	Ask.	Approx. Yld.
New Brunswick:				
4	1 Sept. '54 ...	102.75	103.75	3.71
†4½	15 Apr. '61 ...	107.50	109.50	3.89
†5	15 Jan. '60 ...	112.00	114.00	4.06
Nova Scotia:				
3	2 Sept. '45 ...	98.00	99.00	3.13
4½	15 May '43 ...	105.50	107.00	3.25
†4½	15 Sept. '52 ...	109.00	110.50	▲3.27
†5	1 Mar. '60 ...	115.50	117.00	3.89
Ontario:				
*4	1 June '62 ...	104.00	106.00	3.64
*4½	1 Sept. '44 ...	111.00	113.00	2.58
4½	1 June '50 ...	109.25	110.25	3.54
*4½	15 Jan. '62 ...	111.00	113.00	3.70
5	15 Oct. '48 ...	112.50	114.00	3.55
*5	2 Dec. '60 ...	118.00	120.00	3.72
5¼	1 July '46 ...	113.50	115.00	3.62
Ont. Hydro Comm.:				
3½-4-5	1 Oct. '52 ...	99.50	100.25	...
4¾	1 Jan. '70 ...	115.00	117.00	3.83
Prince Edward Island:				
3	1 Oct. '45 ...	98.00	99.00	3.12
Quebec:				
4	15 Mar. '52 ...	105.00	107.00	3.42
4¼	1 Aug. '58 ...	108.50	110.00	3.58
4½	2 Jan. '63 ...	110.50	112.00	3.77
Alberta:				
4	15 Dec. '54 ...	57.00	62.00	§
†4	1 Dec. '57 ...	57.00	62.00	§
4½	1 Oct. '51 ...	74.00	78.00	§
†4½	1 Oct. '56 ...	64.00	68.00	§
†5	1 Jan. '48 ...	65.00	68.00	§
5	1 Sept. '55 ...	63.00	66.00	§
*5	1 Oct. '59 ...	66.00	69.00	§
†5½	1 Jan. '47 ...	65.50	68.50	§
6	1 Mar. '47 ...	67.00	70.00	§
British Columbia:				
†4	1 Dec. '57 ...	89.00	92.00	4.60
*4½	15 Jan. '51 ...	96.00	98.00	4.70
†4½	1 Oct. '53 ...	94.00	96.00	4.85
†5	15 Jan. '48 ...	97.00	99.00	5.12
5	1 Sept. '53 ...	98.50	99.75	5.02
5½	1 Feb. '45 ...	99.00	100.50	5.42
6	15 Feb. '47 ...	99.50	101.50	5.80
Manitoba:				
4	2 Jan. '50 ...	83.00	86.00	5.52
†4	1 Dec. '57 ...	83.00	86.00	5.09
†4½	15 Dec. '56 ...	84.00	87.00	5.59
†5	15 June '54 ...	88.00	92.00	5.73
*5	2 Dec. '59 ...	90.00	94.00	5.46
5½	1 Oct. '55 ...	86.50	88.50	6.56
6	1 Apr. '47 ...	89.00	92.00	7.10
Saskatchewan:				
4	15 Aug. '53 ...	78.00	80.00	5.92
4	1 Nov. '60 ...	76.00	78.00	5.69
*4½	2 July '45 ...	83.00	87.00	6.53
†4½	1 Oct. '51 ...	86.00	87.00	5.81
†4½	15 Mar. '60 ...	79.00	82.00	5.93
5	1 Aug. '58 ...	82.00	84.00	6.37
†5½	15 Nov. '46 ...	86.00	87.50	7.28
5½	1 Oct. '52 ...	85.00	87.00	6.85
6	15 Mar. '52 ...	88.00	91.00	6.95

Dominion of Canada Bonds

Feb. 17, 1937		Bid	Ask.	Approx. Yld.
†‡5	1 Mar. '37 ...	100.00	100.50	...
‡5½	1 Dec. '37 ...	102.75	103.50	1.26
2½	15 Oct. '39 ...	101.00	102.00	1.73
4	15 Oct. '39 ...	104.50	106.00	1.68
2	15 Nov. '39 ...	100.75	101.50	1.44
1½	1 June '40 ...	99.00	100.00	1.50
4½	1 Sept. '40 ...	107.00	108.00	2.15
1	15 Mar. '41 ...	97.00	97.75	1.57
5	15 Nov. '41 ...	110.00	111.00	2.52
3	15 Oct. '42 ...	103.00	104.00	2.24
2½	1 June '43 ...	100.00	101.00	2.32
5	15 Oct. '43 ...	111.00	112.00	3.00
4½	15 Oct. '44 ...	109.75	110.75	2.92
■2½	15 Aug. '45 ...	99.50	100.50	▲2.41
4	15 Oct. '45 ...	106.00	107.00	▲2.84
4½	1 Feb. '46 ...	109.75	110.75	3.12
3½	15 Oct. '49 ...	102.50	103.50	▲2.97
4	15 Oct. '52 ...	105.25	106.25	▲3.32
3	1 June '55 ...	97.25	98.25	3.16
4½	1 Nov. '56 ...	109.00	110.00	▲3.32
4½	1 Nov. '57 ...	109.00	110.00	▲3.40
4½	1 Nov. '58 ...	109.25	110.25	▲3.45
4½	1 Nov. '59 ...	109.25	110.25	▲3.51
■3¼	15 Jan. '61 ...	99.50	100.50	▲3.21
3¼	1 June '66 ...	98.25	99.25	3.30
♦3	Perp. bds.	91.00	92.00	3.26

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ♦Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2% •Calculated to maturity, although callable prior to that date.

Mining Stock Quotations

WEEK ENDED FEBRUARY 15

Par Val.	Range 1937 High	Low	Company	Sales	Close Feb. 8 (or last)	High for week	Low for week	Close Feb. 15
1	.10½	.06½	Afton	78,000	.09	.09½	.08	.09½
No	1.85	1.42	Aldermac	118,220	1.50	1.60	1.48	1.50
1	.04½	.03½	Alexandria	75,410	.04½	.04½	.03½	.04
No	.09½	.05	Algoma	149,050	.06½	.08½	.06½	.07½
No	8.75	6.50	Anglo-Huronian	7,161	8.75	8.50	8.25	8.25
1	1.42	1.12	Argosy	20,306	1.26	1.26	1.15	1.17
1	1.15	.85	Arntfield	19,050	1.08	1.10	.95	1.00
No	.09	.04½	Arno	11,100	.07	.07	.06	.06
1	.15	.09	Ashley	53,810	.10½	.15	.11	.12
1	.27	.09	Astoria Rouyn	544,470	.19	.20	.15	.17½
1	.08½	.05½	Bagamac	37,600	.07	.07½	.06½	.06½
1	1.85	1.40	Bankfield	23,379	1.45	1.50	1.40	1.40
1	.54	.25	Base Metals	131,850	.40	.54	.39	.39½
No	1.75	1.30	Beattie Gold	19,595	1.45	1.60	1.45	1.50
1	.65	.48	Beaufor	31,800	.60	.60	.57	.57
1	1.70	1.33	Bidgood Kirk	60,310	1.50	1.60	1.45	1.55
1	.70	.58	Big Missouri	36,760	.62	.65	.61	.63
1	.29	.19	Bobjo	53,800	.26	.28	.22	.22½
1	1.14	.46	Bouscadillac G.M.	80,950	1.05	1.09	.88	.90
No	9.00	7.90	Bralorne	3,335	8.60	8.65	8.50	8.65
1	.15	.07	Brazil Gold	3,700	.08½	.10½	.08	.09
1	.21	.12½	Brett Trethewey	34,700	.18	.18	.16	.16½
50c.	.16	.07	B. R. X. Gold	3,650	.16	.15	.12½	.15
1	.13	.09½	Brownlee	73,900	.12	.12	.10	.10½
1	12.50	11.12	Buffalo Ankerite	2,230	12.00	12.25	11.87	12.00
No	.06½	.05	Buffalo Can.	21,900	.06	.06½	.05½	.05½
5	30.00	27.50	Bulolo Gold	1,135	28.50	30.00	28.25	29.00
No	.23	.10	Bunker Hill	15,890	.20	.20	.18	.18
No	2.30	1.80	Can. Marlartic	36,362	2.20	2.25	1.98	2.15
1	1.75	1.60	Cariboo Gold	2,000	1.68	1.70	1.60	1.65
1	.47½	.30	Cartier Malartic	53,800	.37	.40	.35	.35
1	1.66	1.46	Castle Trethewey	30,180	1.60	1.63	1.50	1.54
1	.31	.17	Cen. Manitoba	32,050	.19½	.20	.17	.18½
1	5.25	4.20	Cen. Patricia	21,735	4.75	4.85	4.60	4.70
1	.43	.27	Cen. Porcupine	77,671	.32	.33	.27	.27
No	1.47	1.00	Chromium	38,710	1.15	1.16	1.00	1.01
No	.06	.04	Church M. & Mill	28,800	.05½	.05½	.04	.04½
No	.09½	.06	Clericy	110,300	.09	.09½	.08	.08½
5	7.75	5.50	Coast Copper	260	5.50	6.50	6.00	6.25
1	.03½	.02	Cobalt Contact	17,200	.02½	.02½	.02	.02½
5	3.50	3.15	Coniagas	100	3.15	3.45	3.45	3.45
No	2.14	1.80	Coniaurum	6,876	1.95	2.00	1.85	1.85
1	2.70	1.80	Con. Chibougamau	97,370	1.90	2.25	1.85	1.98
25	81.25	74.50	Cons. Smelters	4,329	76.00	78.50	75.50	77.25
1	2.98	2.30	Darkwater	17,275	2.40	2.75	2.40	2.65
No	51.12	47.65	Dome Mines	4,510	50.00	50.12	47.65	48.25
1	.15	.07	Dom. Explorers	25,745	.10	.10	.08	.08
1	1.22	.40	Dorval Siscoe	74,390	1.02	1.05	.86½	.90
1	.10	.05½	Duparquet	152,700	.08½	.10	.08	.09½
1	2.05	1.20	East Malartic	111,850	1.80	1.90	1.60	1.73
1	2.70	2.32	Eldorado	40,290	2.55	2.65	2.40	2.48
No	12.25	10.12	Falconbridge	3,398	10.75	11.00	10.12	10.12
1	.54	.20½	Federal	325,910	.44	.45	.38	.40
No	1.58	1.15	Francoeur Gold	32,295	1.35	1.35	1.26	1.26
1	.30	.23½	Glenora	73,206	.24	.25	.23½	.24
No	1.02	.86	God's Lake	26,920	.91	.90	.86	.88
1	.15	.10	Golconda	6,500	.13	.13	.11½	.13
1	.49	.40	Goldale	36,450	.42	.43	.40	.40
50c.	.23	.12	Gold Belt	3,800	.20	.18	.16	.18
1	.18½	.11	Goodfish	21,850	.15½	.16	.13	.13½
1	.63	.18	Graham Bosquet	128,350	.51	.52	.40	.45
1	.57	.23½	Granada Gold	103,210	.54	.53½	.43	.47
No	.18	.07	Grandora	16,400	.13½	.14½	.11½	.11½
1	.46	.26	Greene Stabell	712,920	.35	.36	.26	.27
1	.18	.11	Grozelle	2,000	.16	.18	.17	.18
1	.18	.12	Grull Wihksne	4,500	.17	.18	.16½	.16½
1	1.25	1.05	Gunnar Gold	27,175	1.14	1.15	1.05	1.05
1	.07	.03½	Halcrow Swayze	30,400	.05½	.05½	.04	.04½
1	3.44	2.45	Hard Rock	74,718	2.55	2.75	2.45	2.57
1	.35	.15	Harker	280,450	.28½	.33	.25	.26
5	15.50	13.75	Hollinger	6,514	15.25	15.25	14.50	14.50
1	.72	.60	Howey Gold	31,555	.68	.63	.60	.60
No	35.75	32.12	Hudson Bay	6,000	33.50	34.00	32.12	33.50
1	19.25	15.87	Inter. Mining	285	16.37	16.75	16.37	16.50
No	65.65	62.12	Int. Nickel	15,249	65.00	65.12	64.00	64.12
1	2.15	2.00	Jellicoe	43,195	.....	2.15	2.00	2.00
1	.59	.43	J. M. Cons. Gold	28,700	.50	.53	.45	.45
1	.65	.55	Kerr Lake	......	(.62 bid 1.00 asked)			
1	2.65	1.90	Kirk. Hud. Bay	7,160	2.30	2.45	2.30	2.40
1	1.35	1.06	Kirkland Lake	50,935	1.20	1.20	1.15	1.15
1	.39	.24	Kirk. Premier	95,249	.30	.39	.31	.39
1	.48	.23	Kirk. Townsite	20,300	.42	.40	.35	.36½
1	1.10	.90	Laguna	24,200	1.08	1.10	1.05	1.09
No	.08½	.05	Lake Maron	160,050	.07½	.07½	.07	.07½
1	59.25	56.25	Lake Shore	3,624	57.65	58.50	57.50	58.25
1	.28	.14	Lamaque Contact	123,350	.18	.23	.17½	.19½
1	1.33	1.02	Lapa Cadillac	45,480	1.17	1.19	1.02	1.03
1	.94	.78	Lava Cap	22,300	.81	.85	.79	.82
1	.30	.18½	Lebel Oro	218,716	.25	.30	.25	.28
1	1.35	1.03	Leitch Gold	89,110	1.09	1.14	1.03	1.10
1	.07½	.05½	Lee Gold	61,230	.06	.06½	.06	.06
No	8.40	7.05	Little Long Lac	6,830	7.90	7.95	7.50	7.65
1	8.60	7.30	Macassa	34,515	7.95	8.05	7.70	7.80
1	.04½	.03½	Malrobic	78,250	.04½	.04½	.04	.04
No	.69	.48	Mandy	33,550	.52	.59	.51	.51
No	.16	.10	Man. & Eastern	332,900	.13	.15	.12	.13½
1	.44	.25	May Spiers	30,130	.30	.30	.26	.26
5	42.25	38.00	McIntyre	3,659	40.75	40.75	39.87	40.75
1	2.03	1.78	McKenzie R.L.	30,308	1.85	1.90	1.82	1.83
1	.65	.60	McKinley	......	(.60 Feb. 8)			
No	4.85	2.70	McLeod Cockshutt	127,645	2.75	3.20	2.70	2.90
1	.19	.13	McMillan	193,605	.14½	.16	.14	.15
No	1.21	.80	McWatters	28,365	.90	.92	.80	.90
1	.36	.17	McVittie	36,190	.29	.30	.25	.26
5	2.00	1.50	Mentor Exp & Dev.	.....	(1.80 bid 2.00 asked)			
No	4.15	3.25	Mining Corp.	5,279	3.85	4.05	3.85	3.85
No	.29	.20	Minto Mines	9,400	.22	.29	.22	.22
1	.08	.03	Moffatt Hall	34,000	.06	.06	.05	.06
1	.88	.64	Morris Kirk	23,600	.75	.75	.70	.74
1	1.95	1.55	Moneta	125,218	1.70	1.95	1.70	1.82
1	.45	.25	Montague	2,200	.40	.41	.40	.40
1	.10	.04½	Murphy	344,650	.09½	.10	.08	.09
1	1.05	.65	Naybob	25,840	.98	1.00	.85	.90
No	.08½	.04	Newbec	37,000	.06½	.06½	.06	.06
1	1.49	1.16	New Golden Rose	7,450	1.42	1.43	1.32	1.33
1	.05	.03½	Night Hawk Penn.	96,830	.04½	.04½	.04	.04
5	3.60	2.68	Nipissing	3,165	3.25	3.25	3.00	3.00
No	79.25	73.37	Noranda	5,272	74.75	74.87	73.75	74.00
No	.90	.72	Nor. Canada	10,875	.75	.76	.72	.75
1	.16½	.08½	Norgold	15,400	.14	.14	.12	.12½
1	13.25	8.50	O'Brien	20,170	9.55	9.75	9.05	9.10
1	1.28	.72	Omega	60,066	1.05	1.12	.97	1.05
1	.30	.18	Osisko	1,200	.23	.23	.18	.18
No	4.05	3.40	Pamour	10,431	3.55	3.80	3.40	3.80
1	.42	.40	Parkhill	9,154	.....	.42	.40	.40
1	3.80	3.05	Pato Cons.	6,250	3.40	3.40	3.05	3.40
1	.46	.30	Paulore	43,800	.40	.42	.35	.36
1	.06	.03	Pawnee Kirk	37,105	.04½	.04½	.03½	.04
1	1.38	1.00	Paymaster	255,962	1.04	1.14	1.00	1.04
1	4.20	3.15	Pend Oreille	64,500	3.55	4.20	3.65	4.00
1	2.51	2.00	Perron Gold	14,670	2.10	2.15	2.00	2.05
1	.03½	.02½	Peterson Cobalt	20,900	.03	.03½	.02½	.02½
1	9.20	8.05	Pickle Crow	25,203	8.80	8.85	8.30	8.40
1	6.85	6.00	Pioneer Gold B.C.	5,650	6.50	6.50	6.25	6.30
1	.11	.06½	Porcupine Crown	60,550	.09	.10	.07½	.07½
1	1.90	1.55	Powell Rouyn	31,195	1.78	1.77	1.68	1.68
1	4.50	3.80	Premier Gold	6,175	3.80	4.00	3.80	3.90
1	1.47	1.29	Preston E. Dome	15,250	1.45	1.44	1.36	1.36
No	1.55	1.20	Prospectors Air's	800	1.24	1.20	1.20	1.20
1	.88	.70	Quebec Gold	......	(.72 bid .08 asked)			
No	.48	.10	Quemont	1,100	.10	.22	.18	.18
1	6.85	5.00	Read Authier	8,220	6.50	6.50	6.20	6.35
1	1.78	1.18	Red Lake	79,223	1.45	1.58	1.35	1.45
1	1.35	1.20	Reno Gold	16,450	1.21	1.23	1.20	1.21
1	.16	.06½	Ritchie	622,930	.14½	.16	.10	.15
1	.12½	.09	Robb Montbray	249,700	.10	.11½	.08½	.10
1	.48½	.36	Roche Long Lac	113,900	.43	.44	.40	.43
1	2.40	2.05	San Antonio	10,406	2.25	2.20	2.05	2.10
1	1.13	.76	Shawkey	60,981	.99	1.03	.88	.93
50c.	.80	.65	Sheep Creek	5,700	.70	.70	.65	.65
1	3.60	2.75	Sherritt Gordon	80,583	3.10	3.35	3.05	3.10
1	6.65	5.10	Siscoe	25,490	6.10	6.10	5.90	5.90
1	2.50	1.90	Sladen Malartic	79,290	2.20	2.16	1.96	1.97
No	.05½	.03½	South Tiblemont	24,700	.04½	.04½	.03½	.04½
No	1.75	.90½	Stadacona	263,584	1.55	1.66	1.47	1.54
1	.32	.21	St. Anthony	72,600	.29	.29	.26	.27
No	6.25	5.50	Sudbury Basin	4,363	5.80	5.90	5.50	5.60
1	.40½	.34	Sudbury Contact	29,800	.35	.38	.34	.34
1	.04	.02½	Sudbury Mines	58,825	.03½	.04	.03½	.03½
1	2.25	1.87	Sullivan Cons.	34,791	2.00	2.00	1.87	1.95
1	4.80	3.75	Sylvanite	9,845	4.40	4.50	4.35	4.35
1	.29	.17	Tashota	93,038	.28	.29	.21	.21½
1	6.10	5.35	Teck Hughes	10,018	5.90	6.05	5.80	5.85
1	2.15	1.30	Thomp. Cadillac	62,155	1.60	1.59	1.40	1.45
1	.54	.20	Timiskaming	59820	.50	.52	.43	.43
1	4.60	3.75	Toburn Gold	1,070	4.05	4.10	3.75	3.95
1	1.67	1.30	Towagmac	23,810	1.54	1.58	1.50	1.52
1	.75	.50	Treadwell	......	(.55 bid .74 asked)			
No	3.19	2.70	Ventures	18,615	2.83	2.90	2.70	2.75
No	4.10	3.05	Waite Amulet	8,854	3.50	3.60	3.30	3.45
50c.	.07½	.05½	Wayside	33,300	.06	.06½	.06	.06
No	.05	.03½	White Eagle	37,200	.04	.04½	.03½	.04½
1	.16½	.09	Wiltsey Coughlan	59,230	.13½	.14	.11	.12
1	.77	.45	Wood Cadillac	85,810	.70	.73	.67	.67
No	8.20	7.55	Wright-Hargreaves	8,168	7.90	8.00	7.90	7.90
No	.53	.34	Ymir Girl	86,650	.42	.53	.43	.47

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Feb. 8 (or last)	High for week	Low for week	Close Feb. 15
No	.20	.14	Acme Gas & Oil	21,000	.18	.17½	.16	.16
1	.57	.40	Ajax	2,690	.53	.55	.46	.46
1	1.10	.36	British Dominion	26,510	1.00	1.10	.75	.75
No	6.55	2.60	Calgary & Ed.	120,325	5.95	6.55	4.60	4.70
1	1.65	.42	Calmont	84,853	1.60	1.65	1.23	1.35
No	.95	.24	Common Pete	48,400	.87½	.94	.61	.65
No	3.60	1.30	Dalhousie	144,225	3.30	3.60	3.00	3.25
No	.45	.10½	Eastcrest	173,517	.33	.45	.35	.37
No	3.35	1.90	Foothills	16,845	3.20	3.35	2.50	2.60
No	1.20	.61	Foundation Pete	139,565	1.20	1.20	.61	.79
No	.39	.16	Hargal	11,000	.37	.39	.30	.30
No	.80	.15	High Sarcee	91,150	.80	.80	.55	.60
No	4.05	2.75	Home	66,820	3.80	4.00	2.80	2.90
1	.87	.55	Homestead O.&G.	111,100	.65	.78	.65	.72½
No	.70	.70	Hunter Valley	500	.70	.70	.70	.70
No	.15	.15	Do., Warrants	200	.15	.15	.15	.15
No	.90	.37	Lowery	20.970	.80	.86	.70	.70
No	.39	.12	Merland	156,400	.31	.39	.28	.27½
1	1.15	.45	Model	33,380	1.10	1.15	.90	.98
5	.49	.17½	Nordon	167,200	.41	.49	.37	.37½
No	.12	.05	Oil Selections	32,000	.09	.09½	.08	.08
No	4.10	2.00	Okalta	75,865	3.15	4.10	2.80	3.10
No	.12	.06	Olga Gas & Oil	37,700	.09	.10½	.09	.09½
No	.43½	.13	Pacalta	460,000	.41	.43½	.35	.35
1	.70	.61	Petrol Oil & Gas	500	.68	.65	.61	.61
No	55.50	43.00	Royalite	13,344	54.75	55.25	53.00	53.00
No	2.00	.62	South West Pete.	15,190	1.90	1.90	1.30	1.50
No	2.35	2.00	Texas Can.	18,875	2.14	2.20	2.08	2.08
No	.70	.62	United Oil	5,700	.....	.70	.62	.62

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close Feb. 8 (or last)	High for week	Low for week	Close Feb. 15
1	.09	.01½	Alexander	......	(.... bid .04½ asked)			
25c.	.01½	.00½	Bayview	301,500	.01½	.01½	.01½	.01½
20c.	.04	.02½	Beaver Silver	48,000	.02½	.03½	.02½	.02½
1	.70	.60	Big Missouri	22,500	.62	.66	.62	.62½
25c.	.04½	.02½	Bluebird	16,500	.03½	.04½	.03½	.04
No	8.95	7.95	Bralorne	6,197	8.55	8.75	8.55	8.65
1	.07½	.05	Bridge River Cons	9,150	.06	.06½	.06	.06
50c.	.15	.09	B. R. X. Gold	14,900	.12	.14	.11½	.14
50c.	.19	.10	B. R. Mountain Gold	10,400	.18	.19	.18	.19
1	.38	.25	B. C. Nickel	45,450	.26	.32	.25½	.31
1	3.75	2.95	B. C. Silver	2,100	3.20	3.25	3.10	3.15
50c.	.04½	.03½	Canadian Rand	26,825	.04	.04½	.04	.04½
1	1.75	1.60	Cariboo Gold	8,075	1.65	1.65	1.62	1.65
1	.14	.09	Congress Gold	39,150	.11	.12½	.11	.12½
25c.	.02½	.01	Cork Province	185,400	.01	.02½	.01	.02
1	.02	.01	Dalhousie Mines	143,005	.01½	.02	.01	.01½
No	.21	.13½	Dentonia	44,075	.19	.21	.18½	.19
No	.07½	.02½	Dictator	63,300	.06½	.07½	.06½	.07
1	.04½	.03	Dunwell	3,000	.03½	.04½	.03½	.04½
No	.18	.11	Fairview Amal.	44,300	.11½	.12	.11	.12
50c	.69	.64	Fawn Mining	3,000	.60	.68	.65	.65
1	.06	.03½	Federal Gold	38,800	.04½	.05	.04	.04
50c.	.04	.03	George Enterprise	......	(.03½ bid .... asked)			
1	.05	.02½	Georgia River	38,100	.03	.04	.03	.04
50c.	.01½	.01½	Glacier Creek	1,000	.01½	.01½	.01½	.01½
1	.16	.10½	Golconda	8,870	.11½	.13	.11	.12½
50c	.23	.11½	Gold Belt	11,800	.19	.20	.19	.19
50c.	.43	.26	Gold Mountain	435,950	.26	.33	.26	.30
50c.	.17	.11½	Grandview	87,850	.13½	.17	.14	.15
No	.03	.02	Grange Mines	34,000	.02	.03	.02½	.03
1	.18½	.13	Grull Wihksne	8,260	.14	.17	.14½	.15½
No	.05	.00½	Haida Gold	50,800	.04	.05	.03½	.04
50c.	1.05	.25	Hedley Amal.	479,400	.56	1.05	.63	1.03
No	.13	.06	Hedley Sterling	122,900	.09½	.13	.10½	.12
No	.04½	.02½	Home Gold	57,900	.04	.04	.03½	.04
1	.04½	.02½	Independence	120,500	.03½	.03½	.03½	.03½
1	.03½	.02½	Indian Mines	4,000	.03	.03½	.03	.03
50c.	1.18	1.04	Island Mountain	1,300	1.10	1.14	1.05	1.13
50c.	.90	.82	Kootenay Belle	10,950	.82	.85	.82	.83
20c	.05½	.01½	Koot. Florence	381,328	.03	.05½	.03	.04½
1	.03½	.00½	Lakeview	252,400	.02½	.03½	.02½	.02½
10c.	.12½	.06½	Lucky Jim	504,205	.08½	.12½	.08½	.11½
No	.07½	.04½	Mak Siccar	26,500	.06	.06½	.05½	.05½
50c.	.02	.01	Marmot Metals	250,000	.01½	.02	.01	.01½
1	.03½	.01½	Morton Woolsey	72,000	.03	.03	.02½	.03
50c.	.15½	.09	Nicola	63,050	.13	.12½	.11	.12
50c.	.14½	.06	Noble Five	333,000	.12½	.14½	.12	.14½
No	.06½	.05	Pilot Gold	58,900	.05	.06½	.05	.06½
50c.	.15	.08	Porter Idaho	30,500	.09	.12	.09	.11
No	.05½	.02½	Premier Border	135,600	.03	.03½	.02½	.03½
1	4.80	3.78	Premier Gold	6,429	3.90	4.00	3.78	3.90
1	.05½	.04	Quatsino Copper	62,500	.04	.05	.04	.04½
25c.	.16½	.10	Quesnelle Quartz	20,000	.15	.16	.15	.16
1c.	.05	.03½	Reliance	56,000	.04½	.04½	.03½	.04
1	.37	.28½	Relief Arlington	19,800	.30	.32	.28½	.32
No	1.35	.75	Reeves McDonald	59,660	.92	1.35	.90	1.27
1	1.31	1.17	Reno Gold	6,900	1.19	1.23	1.18	1.19
1	.19	.06	Reward Mining	812,300	.17½	.19	.15½	.15½
1	.06	.03	Rufus Argenta	85,900	.03½	.06	.03	.05½
1	.07	.04	Ruth Hope	30,650	.04½	.07	.04	.07
1	.12	.09	Sally Mines	......	(.... bid .10 asked)			
50c.	.13½	.09½	Salmon Gold	9,050	.12	.12	.10	.11
50c.	.78	.61	Sheep Creek	5,700	.68	.67	.65	.65
1	3.20	3.00	Sihak Premier	1,100	3.20	3.15	3.15	3.15
25c.	.14½	.04½	Silvercrest	78,000	.12	.14½	.12½	.12½
20c.	.04½	.02½	Silversmith	40,900	.03½	.04½	.03	.04
No	.13	.07½	Taylor Bridge	10,100	.10½	.13	.09½	.11½
1	.12	.08	Taylor Windfall	......	(.10 Feb. 1)			
50c.	.04	.00½	United Empire	804,100	.02½	.04	.02	.02½
No	1.05	.75	Vidette Gold	4,000	.82	.75	.75	.75
No	.05	.02½	Viking Gold	46,100	.04	.04½	.03	.04½
No	.02½	.01½	Waterloo Gold	......	(.02 Feb. 2)			
50c.	.02½	.01	Waverley Tangier	353,000	.01½	.02½	.01½	.01½
50c.	.08½	.05½	Wayside	28,300	.06	.06½	.05½	.06½
20c.	.12½	.04	Wellington	373,100	.08½	.12½	.09	.11
50c.	.50	.25½	Wesko	181,500	.38	.50	.38	.45
1	.28½	.14	Whitewater	150,000	.20	.28½	.21	.27½

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Feb. 8 (or last)	High for week	Low for week	Close Feb. 15
1	1.09	.26	Alta. Pac. Cons.	100,733	.97	1.09	.78	.80
1	.14½	.06½	Amalgamated	99,300	.13	.14½	.10	.10
1	.64	.07½	Anaconda	160,850	.40	.64	.42	.46
No	.45	.12	Associated Oils	6,050	.40	.40	.20	.25
No	.24	.04½	Baltac	128,300	.10½	.24	.15	.15
1	1.05	.15	Brit. Dominion	19,805	1.00	1.05	.70	.73
No	6.20	2.65	Calgary & Ed.	45,457	5.80	6.20	5.40	4.60
1	1.65	.43	Calmont	40,480	1.60	1.65	1.29	1.29
1	.13	.07	Crow's Nest	53,700	.11½	.13	.10	.10
1	.90	.26	Commonwealth	39,775	.85	.90	.65	.67
No	3.55	1.33	Dalhousie	17,290	3.50	3.55	3.00	3.10
No	.24	.05	Devenish	82,750	.17½	.24	.17	.19
No	.45	.13½	Eastcrest	40,275	.36	.45	.37	.38
No	.44	.10½	Freehold	263,550	.35	.44	.29	.30
No	.40	.10	Hargal	32,795	.35	.40	.29	.29
No	.79	.14	High Sarcee	75,820	.76	.76	.52	.60
No	4.10	2.80	Home Oil	22,590	4.00	4.00	2.85	2.90
No	.88	.50	Lowery	53,350	.58	.88	.70	.80
No	.35	.04½	Madison	385,950	.20	.35	.20	.20
No	.50	.15	Marjon Oil	94,150	.45	.50	.38	.38
No	.78	.18	McD. Segur Ex.	161,905	.60	.78	.51	.57
1	1.60	.55	McLeod	6,675	1.40	1.60	1.30	1.40
No	.83	.22	Mercury	210,020	.75	.83	.60	.63
No	.39	.12½	Merland	50,300	.33	.39	.26	.26
No	.65	.08	Midwest	4,200	.65	.55	.40	.40
No	.65	.20	Mill City Pete	9,700	.65	.65	.45	.45
1	1.15	.44	Model	50,228	1.10	1.15	.90	.90
5	.48	.17½	Nordon	73,800	.48	.48	.38	.38
No	4.00	.85	Okalta	47,890	3.60	4.00	2.85	2.90
No	.44	.13½	Pacalta Oil	90,100	.39	.44	.36	.37
1	1.50	.60	Ranchmen's	23,700	1.30	1.30	.90	.90
No	55.00	43.00	Royalite	478	55.00	54.50	51.50	52.50

Corporation Bonds

Supplied by Toronto Bond Traders' Assoc.

Feb. 16, 1937

Public Utility Issues:	Int. Rate %	Due	Bid Feb. 16	Asked	Bid Feb. 9
*Ass. Tel. & Tel.	5½	'55	89	92	87
Avalon Tel.	5½	'48	101½	..	101½
Beauharnois P.	5	'73	59	62	59
*Bell Telephone	5	'55	111½	114½	..
*Do.	5	'57	119	122	..
†B. C. Power	4½	'60	99	102	99½
†B. C. Tele.	4½	'61	105½	108½	105½
*Calgary Pwr.	5	'60	99½	102½	98½
*Do.	5	'64	96	99	95½
†Can. Nor. Pwr.	5	'53	102½	105½	102½
*Dom. Gas. & El.	6½	'45	95	96	96
*Gatineau Pwr.	5	'56	102½	105½	103
*Do., A	6	'41	100	103	100
*Do., B	6	'41	99½	102½	100
*Inter. Hydro-E.	6	'44	85½	88½	87
*Inter. Power	6	'57	..	..	98½
*Do.	6½	'57	100	103	99½
‡Do.	6	'55	..	..	101½
†Maclaren-Que. Power	5½	'61	96½	99½	96½
†Do.	5½	'64	95½	98½	95½
†Mtl. Island Pr.	5½	'57	103½	106½	103½
†Mtl. L. H. & Pr.	3½	'56	100	103	102
†Mtl. Tramways	5	'41	103½	106½	103½
†Do.	5	'55	85½	88½	85½
Nfld. L. & P.	4½	'56	101	104	101
Nat'l. L. & P.	6	'49	96½	99½	96½
†N. S. L. & P.	4	'57	98½	101½	98½
†Ot'wa L.H.&P.	5	'57	104	107	104
†Ottawa Tract.	5½	'55	102	105	102
†Ottawa V. Pwr.	5½	'70	102½	105½	101
†Power Corp.	4½	'59	102½	105½	101½
*Quebec Pwr.	5	'68	103	106	103
Saguenay Pr., B	4½	'66	104	107	104½
Saguenay Pr., A	4½	'66	103	106	..
†Shaw. W. & Pr.	4	'61	99½	102½	100
†Do.	4½	'70	103½	106½	104
†South. Can. Pr.	5	'55	102½	105½	102½
†United Secs.	5½	'52	81	84	81
*Winnipeg Elec.	4½	'60	104½	107½	104½
*Do., A	4	'65	81	84	81½
Do., B	4	'65	74	77	74½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	94	97	93
Acadia Sugar	4½	'55	101	104	101
†Alta. Pac. Gr.	6	'46	98	101	97½
Asbestos Corp.	5	'42	110	..	110
Booth Bldgs.	6½	'37	..	..	..
B. A. Oil	4	'45	103½	106½	103½
Canada Bread	6½	'41	108½	111½	108½
†Canada Cement	4½	'51	103½	106½	104
†Canada Paper	4½	'52	99	102	99½
†Can. Steamship	6	'41	68	71	69½
Can. Canners	4	'51	100½	103½	100½
Can. Bakeries	6½	'45	99	..	99
*Can. Inter. Pap.	6	'49	101	104	101
C. P. R.	3½	'51	103½	106½	104½
Do.	4	'49	107	110	107½
Do.	4½	'44	102	105	102
Do.	4 Perp.		98	99½	98½
†Can. Vickers	6	'47	99	102	99½
†Consol. Paper	5½	'61	89½	92½	91
*Dominion Coal.	6	'55	100	103	100½
Dom. Sq. Corp.	6	'48	77	81	77
‡Dom. Stl. & C.	6½	'55	94½	97½	98½
†Dom. Tar	6	'49	103½	106½	103½
Dom. Textile	4½	'55	106	109	106
†Donnacona P. 3-4-4½		'56	86	89	87
†Eastern Dairies	6	'49	85	88	86
†Famous Play.	4½	'51	99½	102½	100½
†Federal Grain	6	'49	99	102	99
†Fraser Cos.	6	'50	101½	104½	101½
†Do.	6	'50	101½	104½	..
†Gen. Steel W.	6	'52	103½	106½	103½
*Great Lakes Pap. Ex. Oct. 1/36 Cpn.	5	'55	93½	96½	91
†Gypsum L.&A.	5½	'48	102½	105½	103
†Gr. Br. & Can. Invest.	4½	'59	87½	90½	87½
Hamilton Cot.	5½	'48	102½	..	102½
*Ham By-Prod. Coke	5	'55	102	105	101½
*Hinde & Dauch	5½	'48	102½	..	102½
†Inter. Paper	6	'55	98½	101½	99
†Inter. P. & P. Nfld.	5	'68	103½	106½	103½
Inter City Bak.	5½	'48	103½	106½	103½
Inter-City West. Bakeries	6½	'50	58	62	..
†Kingston Elev.	6	'50	98½	101½	98½
†Lake St. John P. & P.	5	'61	86	89	86
†Do.	5½	'61	100½	103½	100½
†Lond. Can. Inv.	4½	'48	95	98	95
†Maple L. Mill.	5½	'49	88	91	86½
†Massey Harris	5	'47	97	100	97
†McColl-Front.	6	'49	104	107	104
†Mercury Mills	5½	'53	83	87	..
†Mersey Paper	6	'49	100	103	100
*Minn. & O. P.	6	'45	69½	72½	70
*Montreal Coke	5½	'47	..	..	..
Mtl. Dry Docks	6	'48	93	96	93
Nat'l Grocers	4	'36-47	101½	..	101½
†N. A. Elevators	6	'50	97½	100½	97½
Nor. Ont. Bldg.	6½	'39	98½	..	98½
*Prov. Paper	5½	'47	101½	104½	102
Queen's Hotel	6	'47	98½	..	98½
*Reliance Grain	4½	'52	99	102	99
†Restigouche Co.	6	'48	111	114	111
Rich. Bay Bldg.	6½	'47	101	104	101
†Riordon P. & P.	6	'42	104	..	104
†Rolland Paper	4½	'51	103½	106½	103
Ruddy & Co.	6½	'48	98	101	98
†Simpsons Ltd.	4½	'51	97	100	..
†Smith, Howard	4½	'51	102½	105½	102½
*Spruce Falls P.	5½	'42	100½	103½	100½
†Steel of Can.	6	'40	113	116	113
Sterling Coal	6	'40	91	..	91
Stop & Shop	6	'47	78	81	76
Twin City	5½	'52	91	94	92
United Amuse.	5	'56	100	103	100
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	96½	99½	97
Do.	5½	'49	99	102	99
Union Gas	4½	'43-50	99	102	99
‡Wabasso Cotton	4½	'51	97½	100½	97½
†Western Grain	6	'49	78	81	77½
Windsor Hotel	6½	'43	82½	..	82½
Do.	6	'47	42½	..	41½
Zimmerknit	6	'51	100	103	100

‡Payable in Can. or U.K. †Payable in Can., U. S. or U. K. *Payable in Can.

Unlisted Mines

February 16, 1937

	Bid	Asked
Admiral	.36	.38
Amos Cadillac	.27	.30
Albany River	1.16	1.20
Algold	.62	.65
Altura	.44	.46
Alsbach	.04	.05
Am. Gold	.40	.43
Arno	.05½	.03¼
Athona	.32	.34
Arrowhead	.47	.50
Area	.05½	.06½
Augite	.54	.56
Bailor	.07½	.08
Bathurst N.	.05	.05½
B.E.A.R.	.28	.31
Bid L'Aque	.36	.39
Big Master	.23	.25
Big Long Lac	.07	.08
Bilmac	.18	.21
Baldwin	.03½	.04½
Beresford L.	.34	.38
Brengold	.19	.22
Bousquet	.08½	.09½
Cal. F. F.	.12	.14
Can. Pandora	.18	.20
Can. Kirkland	.04½	.05
Candalaca	.42	.45
Cal Bousquet	.28	.31
Casey Summit	.22	.26
Casey Co.	.04	.05
Centrecour	.27	.30
Chestville	1.60	1.65
Coin Lake	.18	.20
Condor	.08½	.09
Con. Kirkland	.44	.46
Cres. Kirkland	.20	.23
Cuniptau	.11	.11½
Darwin	.22	.25
Dawson W.	.43	.44
Delnite	1.05	1.15
Dem. Cad.	.40	.44
Den. Nic'l	.32	.36
Derlak	.17	.20
Desantis N.	.60	.65
Don Mar.	.40	.42
Doreva	.66	.70
Dunlop New	.17½	.18
Electra P.	.41	.44
Eva Lake	.21	.23
Faulkenham	.44	.46
Franklin	.03½	.04
Frontier	.17½	.19½
Garnet	.07	.08
Gate Patricia	.15	.18
Gilbec	.07	.08
Gillies Lake	.54	.58
Goldside	..	.09
Gold Eagle	.75	.77
Gold Gate	.52	.54
Gor. Lebel	.32	.34
Hayes Cadillac	.16	.18
Hislop	.25	.28
Holtryex	.08½	.09
Horseshoe	.10	.11
Hud. Patricia	.11	.13½
Hutch. Lake	.32	.35
John. Nipigon	.07½	.08
Kaw Crow	.26	.29
Kenecho	.20	.22
Kenricia	..	.85
Keora	.05	.06
Kerr Addison	3.10	3.20
Kew'Gama	.65	.70
King Kirk.	.06	.07
Kirk. Hun.	.04½	.04¾
Kirgood	.33½	.34½
Kirk Gate	.35	.28
Kirk G. B.	.17	.20
Kirk King	.27	.30
Lafayette	.06	.07
L. Geneva	.68	.71
Lamaque	9.00	9.25
Lardego	.24	.27
M. Red Lake	.29	.32

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

February 16, 1937

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	5.45	5.80
Do., pfd.	5.45	5.80
Acme Farmers Dairy, pfd.	52.00	....
Algoma Steel, com.	24.75	25.25
Do., pfd.	99.50	101.00
Andian National	48.75	49.00
Assoc. Tel. & Tel., pfd.	54.00	57.00
B. C. Pulp & Paper, pfd.	50.00	....
Do., com.	10.00	12.00
Burns & Co., A	18.50	19.50
Do., B	8.00	8.75
Can. Tube & Steel, 1st pfd.	73.00	....
Do., 2nd pfd.	21.00	....
Can. Wire & Cable, pfd.	117.00	119.00
Can. Airways	9.00	10.00
Can. Industries, A com.	242.00	....
Do., B com.	241.00	243.00
Do., pfd.	164.00	165.00
Can. Ingersoll Rand	130.00	132.50
Can. Westinghouse	70.00	73.00
Chase, A. W., pfd. bonus	26.50	....
Claude Neon Gen. Adv., pfd.	10.50	12.50
Conduits Nat., com.	6.00	6.50
Crescent Creameries, pfd.	37.50	....
Dom. Found. & Steel, com.	120.00	....
Do., pfd.	97.00	100.00
Dominion Woollens, com.	1.00	1.75
Dunlop Tire, pfd.	81.00	84.00
Federal Grain, com.	4.50	5.00
Do., pfd.	50.00	53.00
Goderich Elevator	9.00	10.00
Great Lakes Paper, com.	15.00	15.50
Do., pfd.	33.75	34.25
Greening Wire, pfd.	102.00	107.00
Guelph Carpet, pfd.	105.25	106.50
Do., com.	24.25	25.00
Hayes Steel Prod., com.	9.00	10.00
Do., pfd.	8.00	9.50
Highland Dairy, com.	....	3.25
Do., pfd.	80.00	85.00
McCormick's, com.	....	4.00
Do., pfd.	11.00	....
Mercury Mills, com.	2.10	....
Morrison Brass, pfd. bonus	5.25	....
Mount Royal Hotel, pfd.	3.00	4.00
N. Meth. Laund., pfd. bonus	87.00	....
Perfection Pete., pfd.	20.00	24.00
Provincial Paper, pfd.	106.75	....
Reliance Grain, pfd.	100.00	101.50
Rob. Cons. Cone	9.00	9.70
Ruddy, E. L., pfd.	43.00	44.00
Seal O Sac (Can.)	27.00	29.00
Standard Fuel, com.	9.50	11.00
Do., pfd.	106.00	108.00
Supertest Pet., B pfd.	27.00	28.00
Toronto Carpet, com.	51.00	....
Do., pfd.	51.00	....
United Steel, A pfd.	15.00	16.00
Western Grain, pfd. bonus	15.50	18.00
Wings Ltd.	2.05	2.25
Trust & Loan Stocks:		
Chartered Trust	92.00	....
Commercial Finance, com.	2.65	2.85
Guelph Ont. Inv., par $50	50.00	53.00
London & West. Trust	54.00	56.00
Sterling Trust	36.00	....
Traders Fin., com.	6.00	....
Do., B pfd. bonus	90.00	....
Trusts & Guarantee	32.00	....
Insurance Stocks:		
Canada Life	535.00	544.00
Canadian Ins. Shares	13.00	14.75
Confeder. Life 20% pd.	115.00	117.00
Dominion Fire	135.00	....
Dom. of Can. Gen.	135.00	150.00
Empire Life 25% pd.	8.50	9.00
Federal Fire 25% paid	46.00	....
Fidelity Ins. of Can.	48.00	....
Great West Life	....	357.00
Guar. of N.A. fully pd.	290.00	308.00
Halifax Fire	22.50	23.00
Imperial Life	360.00	....
Manufacturers Life	250.00	260.00
Monarch Life 10% pd.	19.25	20.75
Sovereign Life 25% pd.	15.00	18.00
Sun Life	830.00	860.00
Western Assurance, com.	50.50	....
Theatre Stocks:		
Allens Beach, pfd.	72.50	76.00
Do., Kingston, pfd.	70.00	75.75
Do., Parkdale. Pfd.	75.00	....
Do., Toronto, pfd. bonus c.	35.00	38.00
Loew's, London, pfd.	3.00	3.50
Do., Toronto, pfd.	....	125.00
Mansfield Theatre, pfd.	47.00	50.00
Paramount, Kitchener, pfd.	55.00	62.00
Do., Oshawa, pfd.	90.00	95.00
United Amusement, A	26.00	....
Investment Trust Shares:		
Can. Gen. Invest.	11.00	11.50
Can. Int. Inv. Trust Units	106.00	....
Can. Investment Fund	4.85	5.20
Can. Investors	10.00	10.50
Cons. Div. Std. Sec. Units	20.25	21.50
Dom. Scottish Invest. Units	46.00	48.00
Invest. Foundation Units	66.00	67.00
Lon. Can. Invest., com.	3.00	5.00
Sec. Holding Units	25.00	26.00
United Corpns., A	27.50	28.50
Do., B	28.50	29.50
Power Issues:		
Can. West. Nat. Gas, pfd.	91.00	92.50
Do., com.	22.50	24.75
Great Lakes Power, pfd.	100.00	101.00
Inter. Util. 1.75 pfd.	16.00	....
Montreal Island Pwr., pfd.	16.50	....
Nor. Ont. Power, pfd.	104.00	105.00

Municipal Bonds

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	113.00	115.00	4.03
Hamilton	5	1950	111.00	112.50	3.80
Montreal	5	1945	105.50	107.00	3.96
Ottawa	4½	1945	108.00	110.00	3.16
†Quebec	5	1959	104.00	106.00	4.57
Saint John	5	1950	106.50	108.00	4.24
†Toronto	4½	1955	110.00	112.00	3.59
†Vancouver	5	1950	94.00	98.00	5.21
Winnipeg	5	1944	98.00	102.00	4.07

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.75	5.10
Can. Invest. Fund	4.80	5.15
All Can. Trustee	15.50	16.10
Trans-Canada	15.65	...
Grouped Income	6.94	7.60
Can. Equity	13.50	...
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.00	6.25

UNLISTED MINES (Continued)

	Bid	Asked
Madsen	1.34	1.36
Magnet L.	.16	.17
Mag. Cons.	..	.51
Mal. Gold	.58	.61
M. McNeilly	.09¾	..
Martin Bird	.95	.96
Margaret	.58	.62
Maritime	.45	.48
Man. Basin	.05¼	.06
Matona	.41	.44
Mata. Can.	.19	.22
Moffatt N.	.09	.11
MacFarlane	.14	.15
McC. Webb	.39	.42
McV. Kirk.	.18½	.19½
Mooshla	.77	.79
Mosher	.34	.37
Murmac	.07	.09
Northwest Minerals	.20	.22
Normetal	2.00	2.25
N. Shores	.04½	.05½
Oklend	.39	.41
O'Leary	.24	.25
Opemiska Cop.	..	.45
Oriole	.16	.16½
Osoyoos	.60	.65
Ossian	.07½	.08
Pan. Cad.	1.00	1.05
Pascalis	.57	.60
Par. Mal.	.37	.40
Plains P.	2.15	2.35
Polaris	..	.55
Porc. McN.	.16	.19
Porc. Unit	.13	.15
P. Rouyn	.24	.26
Porc. C. R.	.05½	.06½
Porc. Tri.	.21	.23
Porc. Lake	.33	.37
Porquin	..	.22
Prop'ary	2.90	3.10
Que. Mar.	.27	.30
R. Crest	1.50	1.60
Rajah	.38	.41
Richmac	.42	.44
Roeanor	.22	.25
Rouyn Reward	.16	.17
Rubec	.08½	.09½
Sand River	.41	.43
Schreiber	.12	.14
Shenango	.25	.27
Silver Valley	.19	.21
Skookum	.21	.24
Siscoe Ex.	.45	.47
Slave Lake	..	3.50
Smelter	.08	.09½
Spooner	.30	.35
Sturgeon River	.46	.52
Springer	.18	.20
Straw Lake	.38	.42
Sun Beam	.65	.69
Tonawanda	.09½	.11
Uchi Lake	1.30	1.40
Upper Can.	.86	.88
Valloc	.13	.15
Wascana	.30	.35
William M.	.13	.13½
Wesley	.44	.48
Westside	.11½	.12½
W. Red Lake	.10	.12
White Horse	.25	.29
Wendigo	.30	.33
Willport	.23	.26
Winoga	.38	.41
Young D.	.17	.19
Young S.	.17	.20
Ypres Cad.	.46	.49

Saskatchewan Also Seeking Interest Cut

Government is Watching Situation in Manitoba

TAX CHANGES

From Our Own Correspondent

REGINA. — Whatever action is taken by the Manitoba in regard to interest on its bonds is likely to receive the approval of Saskatchewan and will probably be followed by similar action by this province.

While the Manitoba Government has taken the lead in negotiations with the Dominion Government and has brought the matter to a head, Saskatchewan officials have been in close touch with the situation and have supported Premier John Bracken of Manitoba in his appeals to Ottawa for assistance.

It is generally conceded here that if Manitoba cuts interest on its bonds because of failure of the Federal Government to come to its assistance, Saskatchewan will follow suit. In fact, pressure from backbenchers who for some time have advocated lower interest rates would force the Government to take such action. Furthermore, Saskatchewan's financial position is much worse than that of Manitoba.

Statement Later

The speech of the throne at the opening of the legislature on Feb. 11 failed to give any clue as to the Government's attitude. It merely stated that, "The subject of provincial finance, including the possibility of refunding the public debt, will be fully outlined and dealt with in the budget."

Government officials admit that the province requires more revenue from taxation in order to eliminate deficits. To add to taxation, however, without taking off some of the interest load they regard as an impossibility.

To Repeal Public Revenue Tax

The Speech from the Throne indicated that a number of recommendations made by the Jacoby Tax Commission will be submitted to the legislature. It stated that the Government plans to repeal the two-mill public revenue tax, which nets about $1.2 million annually, and replace it with an education tax. Revenue from the new tax along with income from school land funds will be earmarked for educational purposes. School grants will be increased to enable the payment of back salaries to teachers.

In order to cut administration expenses, the Government is negotiating with Ottawa to collect the provincial income tax. This line of action was agreed upon at the Dominion-provincial conference in December when the success of the Ontario experiment was outlined.

Consider Tax Recommendations

Changes to the Succession Duty Act, the Motor Vehicles Act and the Municipal Act, recommended by the Jacoby Commission, will also be considered. Such changes may mean a tightening up of collection under the various Acts.

Income tax changes recommended by the commission will not be considered.

A considerable part of the Government's taxation programme awaits Federal action as regards assistance to the province. Once that question has been definitely settled, the Government will be in a better position to determine exactly what its needs will be.

Howe Confident Of Quebec Canal

From Our Own Correspondent

MONTREAL.—Deepening of the Chambly Canal and Richelieu River, to provide a waterway route with a 12-ft. channel, is very largely a foregone conclusion, according to a statement made by Hon. C. D. Howe, Federal Minister of Transport, to members of a delegation representing about 150 municipalities in the district affected by the project.

An adverse report by the International Waterways Commission would kill the proposal, but Hon. Mr. Howe told the delegates that "this district has little to fear in the way of an unfavorable report by the Commission." At present the water route has a draft of six ft.

With the Legislators

Ottawa

Transportation: Senate Standing Committee heard representations on Board of Transport bill.

Private member's bill to provide that the Crow's Nest Pass rates on grain and millfeeds should apply westward as well as eastward, given first reading.

Free Trade Zones: Senate gave second reading to a bill proposing the establishment of free foreign trade zones in Canadian ports.

Agriculture: Second reading given Prairie Farm Rehabilitation Act, which enlarges the Act of 1935 to permit of the appointment of more committees than one, and permits the expenditure of sums greater than $1 million per year for drought assistance.

Committee enquiring into the rising cost of farm implements discussed reports on business operations submitted by Massey-Harris Co.

Housing: Motion of Denton Massey, Conservative, Toronto, recommending the launching of a $100 millions housing and slum clearance scheme discussed.

Saskatchewan

Taxation: Legislation to implement Jacoby report forecast in speech from throne.

Action to simplify filing of income tax returns and provide for collection by Dominion Government promised.

Educational tax to be substituted for public revenue tax.

Agriculture: Organization of credit unions forecast in throne speech.

Industrial: Bill to provide for investigation of industrial disputes announced.

Financial: Debt refunding scheme and complete overhauling of fiscal policy forecast.

Ontario

Mining: Legislation to provide a two-cent bonus on iron ore in Ontario announced by Premier Hepburn.

Wright-Hargreaves Mines—is paying regular quarterly dividend of 10 cents per share plus an extra dividend of five cents per share on April 1, 1937, to shareholders of record March 1.

DIVIDEND NOTICES

The Bank of Nova Scotia

DIVIDEND No. 269

Notice is hereby given that a Dividend of three per cent on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of March 16th, and that the same will be payable on and after Thursday, the first day of April next, at any of the offices of the Bank in Canada.

By order of the Board.

H. F. PATTERSON,
General Manager.

Halifax, N.S., February 16th, 1937.

The Canadian Bank of Commerce

DIVIDEND No. 200

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1937, and that the same will be payable at the Bank and its Branches on and after Monday, 1st March next, to shareholders of record at the close of business on the 30th January, 1937. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager

Toronto, 22nd January, 1937.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st March, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of April, 1937, to shareholders of record of the 20th March, 1937.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 11th February, 1937.

RELIANCE GRAIN COMPANY LIMITED

PREFERENCE DIVIDEND No. 37

NOTICE is hereby given that a dividend for the quarter ending February 28th, 1937, at the rate of 6½% per annum, will be paid on March 15th, 1937, to all preference shareholders at record at the close of business on February 28th, 1937.

By order of the Board.

A. W. GIBB, Secretary.

Winnipeg, January 15th, 1937.

DIVIDEND NOTICES

BREWERS & DISTILLERS OF VANCOUVER LIMITED

To Shareholders and Holders of Voting Trust Certificates

The time for adjustment of fractional certificates has been extended by By-Law from March 1st, 1937, as previously advertised, until April 30th, 1937. This has been found necessary owing to the lateness in arrival of many certificates from abroad making it impossible for a large number of holders of fractional shares to exchange their fractional certificates in time to participate in the capital distribution scheduled for February 1st, 1937.

Paragraph 8 of the circular letter dated November 12th, 1936, is therefore further amended to read as follows:

"As no distribution may be made in respect of the new fractional share certificates, holders receiving fractional share certificates must adjust such fractions by purchase or sale prior to April 30th, 1937, in order to participate in the distribution in respect of fractional certificates. NO DISTRIBUTION, therefore, will be made in respect of fractional holdings unless the same have been exchanged for certificates for whole shares and REGISTERED PRIOR TO APRIL 30th, 1937."

By Order of the Board,

GEORGE WM. TWITTEY,
Secretary-Treasurer.

A.J.Pattison, Jr. & Co. Limited
Established 1907
For thirty years we have rendered a Standardized Service to
BANKS, INSURANCE AND TRUST COMPANIES, BROKERS, INDUSTRIAL CORPORATIONS AND INDIVIDUALS
IN BUYING AND SELLING
INDUSTRIAL AND PUBLIC UTILITY STOCKS AND BONDS
Royal Bank EL. 5101 TORONTO

Winter Snows Arouse Hope Through West

May Indicate End of the Drought Cycle and Relief

BUT MUST CONTINUE

This winter has witnessed a complete reversal of weather conditions throughout the Canadian spring wheat belt in the Prairie Provinces. While last summer and fall were unusually dry the winter to date has seen abnormal precipitation. More snow has fallen in the last few months than for many seasons past.

Some Absorbed

In those areas where Chinook winds are fairly frequent some of this has already been translated into real moisture and has soaked into the ground. But throughout the greater part of the wheat growing districts, however, the snow will not melt until spring. Much will depend on the weather at that time as to whether the moisture resulting will simply run off or will soak into the ground where it is badly needed.

If these heavy winter snows mean a real change in heart on the part of the weather and are the forerunners of generous spring and early summer rain then Canada may expect a return to normal or larger wheat crops. Incidentally those of the last three years have been running 100 million below average.

Would Work Miracle

A real crop in 1937 at anything approaching present price levels would put satisfactory purchasing power into a large section of the Prairie Provinces which at the present time is actually on relief and depending on the Federal Government for the bare necessities of life. Next fall this great area may conceivably be purchasing new automobiles, radios and furniture; and paying taxes and interest on mortgages.

While sub-soil moisture was at record low levels last fall, and much moisture will be necessary to restore the proper balance, agricultural observers have pointed out that such a transformation has taken place before in a single season. The summer and fall of 1914, some of them recall, was one of the driest up to that time, yet that year was immediately followed by the record crop of 1915.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$7.00	$7.50	$7.25
Hogs	9.00	9.00	9.50
Copper, lb.	.13	.13	.09½
Cotton, lb.	.1311	.1321	.1170
Rubber, lb.	.2153	.2147	.1575
Sugar, raw, lb.	.0360	.0360	.0330
Silk lb.	2.11	2.16	1.87
Wheat (Man.) bu.	1.30	1.30	.81⅞
Coffee, lb.	.09¼	.09¼	.07
Hides	.13½	.13¾	.10½
Weekly Indices			
N. Y. Annalist	140.2	138.1	126.6
Fishers'	90.7	90.4	82.4
N. Y. Journal of Comm.	88.9	88.4	81.5
Crumps (Brit.)	78.9	78.4	68.1
U. S. Labor	85.7	85.2	80.2
Canada (D.B.S.)	82.0	81.6	72.5

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Jan.)	81.6	81.7	80.5
W'sale (Jan.)	81.9	79.7	72.5
U. S. Labor (Nov.)	82.4	81.5	80.6
Gt. Brit. (Nov.)	86.1	85.5	79.9

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North Ft. W.-Pt. A. basis: Hides — No. 1 packer light native cows: Hogs—select bacons, Toronto.

Newsprint

January Returns Out of Line Due to Advance Delivery

From Our Own Correspondent

MONTREAL. — Production and shipments of Canadian newsprint in January recorded an abnormal increase as compared with the same month a year ago, the former recording an increase of 26% and the latter around 45%. Considerable tonnage was accumulated at points from which water shipments will later be made. In addition it is anticipated that the publishers' report will show a substantial increase in stocks.

According to the Newsprint Service Bureau, Canadian mills produced 287,691 tons in January and shipped 262,692 tons. This compares with an output of 227,955 tons and shipments of 181,403 tons in January a year ago.

Production in the United States was 85,005 tons and shipments 75,637 tons. This represents an increase of 669 tons or 1% more than in Jan., 1936.

Stocks of newsprint paper at Canadian mills were reported at 49,505 tons at the end of January and 18,673 tons at United States mills, making a combined total of 68,178 tons compared with 38,745 tons on Dec. 31, 1936.

DIVIDEND NOTICES

Lake Shore Mines, Limited

(No Personal Liability)

DIVIDEND NO. 68

NOTICE is hereby given that a quarterly dividend of one hundred per cent on the issued capital stock of the Company will be paid on the fifteenth day of March, 1937, to shareholders of record at the close of business on the first day of March, 1937.

By order of the Board.

KIRKLAND SECURITIES, LIMITED
Secretary.

Dated at Kirkland Lake, Ontario, February 15th, 1937.

Anglo-Canadian Telephone Company

Class A Dividend Notice

Notice is hereby given that a dividend of One and One-Quarter Per Cent (1¼%) has been declared on the Class A Stock of the Company, payable March 1, 1937, to stockholders of record at the close of business on February 15, 1937.

By order of the Board,

GEOFFREY PURDY,
Secretary.

Montreal, February 15, 1937.

Week in Wheat

Wheat Mart Sensitive Pending Winter Crop

Prospects for American Production Key Factor in Price Situation — Expect Heavy European Purchases Will Continue

From Our Own Correspondent

WINNIPEG.—The wheat market has developed a highly sensitive state as the prospects for winter wheat production in the United States begin to be more important. Within a few weeks ideas will be clearer as to the probable extent of winter killing. Very good prospects then will have a bearish influence while extensive damage may well send prices up.

Current levels are taken as reflecting current demand and supply with a new level to be found based on probable world production for the coming year. Under these conditions the market is highly responsive to every new factor. Dust storms in the winter wheat belt last week sent prices sharply up, while a temporary cessation in European buying caused as sharp a decline at the beginning of this week. The latter seems to have been induced by increased estimates of Argentine yields, coupled with the fact that large arrivals of Argentine wheat at European ports are commencing and seem bound to continue for at least two months.

Liverpool comment stresses the continental buying that has lately occurred, and anticipates continuance on a large scale for the rest of the crop year.

Scare is Over

NOW that the first scare of heavy Argentine exports has passed, world wheat markets appear to have resumed their former position of strength. Moreover while the rush of New Argentine wheat to market was unexpectedly large, this volume has been absorbed at such a rate that the continuance of present exports will see half of the surplus of that country out of the way by April 1. Heavy German buying is largely responsible for the firm way in which the large and sudden volume has been absorbed.

* * *

U. S. Outlet Helps

FORTUNATELY for Canada, United States has proved a handy outlet for considerable quantities as a result of the extremely small crop of hard wheat produced in that country last fall. While there has been some moderation of Canadian exports to the U.S. in recent weeks, total duty paid volume to date is well over 25 millions for the current crop season. In addition, there are over 20 million bushels of Canadian wheat stored in bond at U.S. points. It is still expected that total Canadian shipments to United States will equal last year's export of approximately 50 millions.

* * *

Visible Shrinks

IT is this U.S export, undoubtedly, which has been responsible for the steady decline of Canadian visible in recent weeks, notwithstanding the fact that world importers are now also being offered competitive wheat from the Argentine and Australia. Previous to Jan. 1, Canada was about the only important source of world surplus supplies. Canadian visible, as shown in the chart on this page, is now well below the 100-million mark. Not since 1926 has the supply been so well cleaned out at this time of year. That it will be reduced easily to the old pre-pool year-end figures of well under 50 millions is considered a foregone conclusion.

* * *

U. S. Crop Outlook

MOST of the United States spring wheat belt has also been experiencing the heavy winter snows which have visited the Canadian prairies. Of course, the real value of this frozen moisture will depend upon spring weather. If the snow melts quickly, it is feared that much of it may run off while the ground is still frozen, but a gradual change to warmer weather would probably conserve much of it.

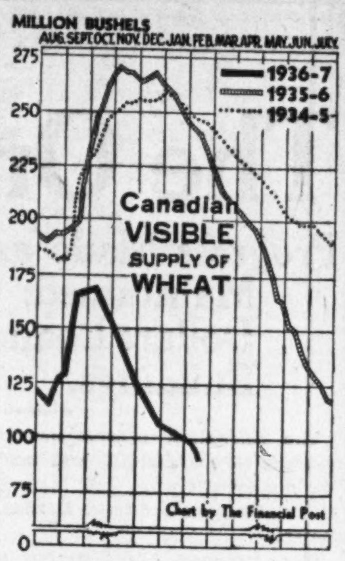
Weather conditions in the U. S. winter wheat belt, on the other hand, are still considered unfavorable. The record acreage went into winter quarters in only fair shape and recent dust storms in the south offer certain indication that moisture supplies are far below normal. Flood damage to wheat in the United States is considered negligible as most of this surplus water has overflowed valleys in which crops are yet to be sown and are in any case mostly out of the main wheat areas.

* * *

Prices Not High

IN VIEW of the international supply position, recent wheat prices do not seem excessive but perhaps the reverse, according to the Food Research Institute of Stanford University, in its latest Wheat Studies. The downward tendency in wheat futures in progress since late December is likely to be moderate, it is stated.

It is estimated that total year-end stocks of wheat probably will be reduced to about 520,000,000 bus., less than half the estimated peak carryover of 1934 and the lowest since 1925. Even to maintain this carryover, a net reduction in world wheat disappearance of close to 100,000,000 bushels, when compared with last year, must occur. A fairly large reduction in use of wheat, both for food and feed, is expected this year in importing Europe, with the largest losses presumably in France, Spain and Germany. Somewhat lower wheat utilization may also occur in North Africa, India and Japan.



ABSORPTION

Canadian wheat in marketable positions continues to disappear steadily. With the crop year only slightly half over visible was down to less than 95 million bushels last week or almost 240 million below the same week a year ago.

Notwithstanding continued heavy shipments from the Argentine and the marketing of the current Australian crop, export clearances continue to be maintained at over two millions weekly. Most of these exports in recent months are believed to have gone to United States, where there was a considerable deficiency in hard home grown wheat last year.

Details in bushels are as follows:

Week of Feb 12	Week previous	Last Year
94,816,000	97,595,000	234,804,000
Export Clearances*		
Week of Feb. 12	Week previous	Last Year
2,140,725	2,705,193	4,435,277

*Plus U. S. imports.

DIVIDEND NOTICES

FORD MOTOR COMPANY OF CANADA, LIMITED

DIVIDEND NUMBER 37

The Board of Directors has declared a cash dividend of twenty-five cents (.25) per share, payable on all of the outstanding shares of the company on March 20, 1937, to shareholders of record at the close of business February 27, 1937.

D. B. GREIG,
Secretary.

Windsor, Ont.,
Feb. 15, 1937.

Canada's Farm Salesman Has Wide Experience

New Marketing Director Well Equipped For His Post

A. M. SHAW

A. M. Shaw, for several years dean of the Faculty of Agriculture, University of Saskatchewan, and since 1935 a member of the Canadian Wheat Board, has been appointed director of marketing, Dominion Department of Agriculture. He has already taken over his duties in the new organization of the department, which is being carried out with the objective of promoting more effectively the marketing of agricultural products under a national policy. Mr. Shaw is credited with a first-hand knowledge of the demands and opportunities for Canadian farm products, not only in Canada but in the British Isles, the United States and elsewhere.

Canada's new farm salesman was born on a farm at Woodburn, Ont. and graduated from the Ontario Agricultural College in 1910. Immediately following college he accepted the position of agricultural agent for the Great Northern Railway, with headquarters in St. Paul, Minnesota. That was the time when the Great Northern Railway was being projected and directed by the late James J. Hill, another Canadian by birth. Mr. Hill sent Mr. Shaw to the British Isles to purchase animals as foundation stock for the farms in the northwestern states served by the lines of the Great Northern. He later visited all parts of the United States and Canada in the service of the railway and kept in touch with agricultural activities.

In 1913 Mr. Shaw joined the staff of the University of Saskatchewan. While so attached he conducted many farm and economic surveys of different sections of Western Canada and also made several trips to the British Isles to get first-hand information concerning the marketing conditions.

The respect in which Mr. Shaw is held by his fellow agriculturists is indicated by his election as president of the Canadian Society of Technical Agriculturists in 1935-36.

R. P. Sparks to Present Case For Auto Dealers

R. P. Sparks has been retained to prepare and present the case of the Dominion Automobile Dealers Association before the Tariff Board at Ottawa and to take over the general direction of the association's activities.

The appointment follows the death of J. R. Dixon, secretary and manager of this association since its inception. W. H. McIntyre is president of the association.

'Hopper Menace Slight in South

But Trouble Possible in Central and Northern Areas

From Our Own Correspondent

REGINA.—While grasshopper infestation may be serious in the northwest part of Saskatchewan, the Moose Jaw-Regina area will not suffer much this summer according to an infestation map prepared by the provincial department of agriculture.

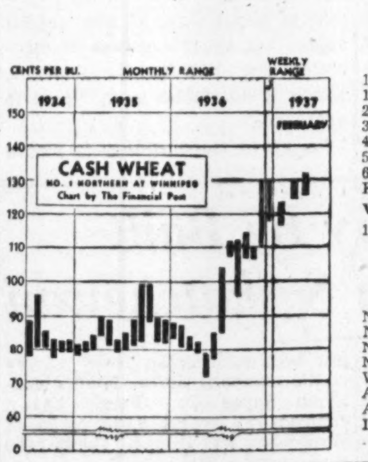
Very severe deposits are in the Battleford and Swift Current areas. Moose Jaw and Regina regions were in the heavy infestation category last year, but this summer it will be light, it is expected.

Pale cut worms may be the menace in the southwest. Such infestation is south and west of a line running northeasterly starting at Minton, through Mortlach, Riverhurst, Rosetown, Dodsland, Unity and continuing on to the Alberta border. If the spring and summer are wet, loss by cutworms will be light.

Cuban Trade Pact

Members of the Association Potato Growers and Shippers of New Brunswick are urging Canada to negotiate a reciprocal trade arrangement with Cuba which will allow Canadian potatoes to enter that market in a volume comparable with Canada's former exports or approximately one million bags per year.

Wheat Prices



(Cash Quotations)

	For Week Feb. 16 High	Low	Prev. Week High	Low
1 Man. Hard	1.31½	1.28	1.30⅝	1.25
1 Northern	1.31⅜	1.27⅞	1.30	1.24⅝
2 Northern	1.29¼	1.25¾	1.28⅛	1.22¾
3 Northern	1.29⅞	1.22¾	1.25⅜	1.20
4 Northern	1.20½	1.17	1.19⅝	1.14
5 Wheat	1.16½	1.13	1.15⅜	1.10
6 Wheat	1.16	1.12½	1.14⅞	1.09½
Feed Wheat	.97½	.94	.96⅜	.91
Vancouver: Week to Feb. 15:				
1 Northern	1.32¼	1.29¾	1.31⅛	1.23¾

Competitive Export Prices:
Feb. shipment.

Week to Feb. 13	High	Low
No. 1 North. (Vanc.)	1.53⅞	1.52⅜
No. 2 North. (Atlan.)	unquoted	
No. 1 North. (afloat)	1.51⅝	1.51⅝
No. 2 North. (Vanc.)	1.50⅜	1.48½
West Australian (afloat)	1.37¾	1.36¼
Australian	1.34¾	1.32½
Argentine Rosafe	1.22½	1.18⅝
Indian (new crop)†	1.30⅛	1.27⅛

†May-June shipment.

Winnipeg Grain Futures

Week to Feb. 16, 1937

Crop year from Aug. 1, 1936 High	Low		Open Feb. 10	High for week	Low for week	Close Feb. 16
		Wheat				
1.30¾	1.05⅝	May	1.28⅝	1.30½	1.26½	1.27
1.26⅜	1.03¾	July	1.23⅝	1.25	1.21⅞	1.22¼
1.15	1.04⅛	Oct.	1.12⅞	1.14⅝	1.11¼	1.11¾
		Oats				
.58	.42¼	May	.55¾	.56½	.55⅜	.55¾
.55⅛	.43⅝	July	.52⅞	.53⅜	.52¼	.52⅜
		Barley				
.88⅞	.50⅞	May	.82	.85	.80⅝	.82¾
.77¼	.56¾	July	.71⅛	.73	.69⅝	.70⅝
		Flax				
1.75⅞	1.60½	May	1.71¾	1.74¾	1.70½	1.70⅛
1.76	1.63¼	July	1.72	1.73	1.70	1.70⅛
		Rye				
1.14⅞	.62⅝	May	1.09⅝	1.10⅞	1.07	1.07⅞
1.12⅛	.78¼	July	1.04	1.05⅞	1.01¾	1.02⅞
.92½	.83⅝	Oct.	.89⅝	.90½	.87½	.88

Thompson-Cadillac Reports Recovery

From Our Own Correspondent

MONTREAL.—Thompson-Cadillac Mining Corp., reports total production of $22,447 during January, of which $10,240 was gold bullion and the balance concentrates ready for shipment, according to the company's monthly report issued by Andrew Walz, vice-president and managing director.

According to the report 2,480 tons of ore were milled averaging $9.52 a ton. The average recovery for the month was 94.9% About 10% of the available operating time was lost due to repairs and renewals in the mill.

The report continues: "The mine is now in excellent shape to increase production. There are 37,399 tons of broken and blocked out ore in the stopes, in addition to which on all levels an unestimated tonnage awaits stoping. Five drill crews are now engaged in development work, from which a substantial tonnage of millfeed is obtained. Preparations are under way to install a secondary crusher and milling capacity is expected to be in excess of 100 tons per day when this is completed. Concentrates are being shipped regularly from current production."

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Deadlock Confronting Health Insurance Plan

Doctors Oppose Plan Which Fails to Provide For Indigents and Low Wage Earners

From Our Own Correspondent

VANCOUVER.—British Columbia has been forced to shelve—for the time being at any rate—its latest experiment in social legislation—health insurance.

Confronted by the emphatic refusal of medical men to co-operate, the Health Insurance Commission had virtually no alternative but to postpone the whole programme until such time as Premier Pattullo returns from the East and Hon. G. M. Weir, Minister of Health, returns to his duties after a week's illness.

It had originally been intended to start making collections under the scheme March 1 and to start paying out benefits March 28. Both of these plans have been indefinitely held in abeyance.

Some members of the Government and a large section of the Liberal party are openly in favor of putting off the whole matter until the next session of the Legislature, and the Co-operative Commonwealth Federation, always strongly in support of health insurance, is asking for a special session to deal with it. The C.C.F. fears that the whole programme may be abandoned, even though it admits "the woeful inadequacy of the present act."

Health insurance, always a controversial issue in politics since its introduction to the Legislature two years ago, seems destined to continue as a source of conflict for some time to come. The health commission is still hoping for some form of compromise in which the doctors will co-operate, and it is possible that, failing that, the measure will be made effective in two or three selected centres, with doctors hired on a salary basis. Such an expedient would, at least, give the plan a test.

If the act is revised to provide for indigents, as suggested by the medical men, it would mean levying of a special tax — something that the Government hesitates to do. Another plan would be to reduce benefits and provide higher medical fees.

A good deal depends on the attitude of Dr. Weir, who piloted the bill through the house almost single-handed. Rumors that he might resign rather than postpone health insurance were current here, but his colleagues hope to persuade him to continue in office until the situation has become clarified.

Meanwhile politics appears to be entering the controversy, and where the issue will finally end is one of those things that no one will predict.

May Change Plans

Health insurance, plus public works in the form of new road construction, were to be the mainstay of the Government's appeal. Now that health insurance is up in the air, the Government may be compelled to alter its entire strategy. Members of the Government—even Dr. G. M. Weir, minister of health, who almost single handed put through the legislation—have been careful to leave the controversy in the hands of the commission, but there is no doubt that politicians have been giving the subject a good deal of serious thought.

A point made by Dr. Peebles, to the effect that the medical men opposed the measure because they feared their fees would be restricted, did not help to calm the storm. The doctors were prompt to deny this contention, the College of Physicians and Surgeons pointing out that the real issue was the treatment of indigents and low-wage earners.

"To the medical profession no scheme of health insurance will be satisfactory that leaves these people unprovided for," stated Dr. Wallace Wilson, chairman of the health insurance committee of the college.

Dr. Peebles is urging the medical men to give the plan a trial for at least one year. He points out that the commission is bound by the law which covers employees reveiving $1,800 and less a year and their dependents only, and that indigents, old-age pensioners and other groups not employed have not the money to pay assessments and therefore cannot be covered. He believes the insurance plan is based on the medical men's traditional practice of making charges in accordance with ability to pay.

Detailed Plan Announced

Recently Dr. Allon Peebles, chairman of the commission, issued details of the programme which give, for the first time, an idea of just what the insured workers — all receiving less than $1,800 a year — and their families may expect from the plan. They will be entitled to the following divisions of medical treatment:

Medicine, surgery, midwifery by general practitioners.

Eye, ear, nose and throat treatment; brain and spinal surgery, by specialists.

Certain regional surgery requiring special instruments and equipment, and certain orthopedic surgery.

All to be carried out by specialists.

And finally, the services of a surgeon, an anaesthetist, assistant surgeon, cardiologist, dermatologist, Roentgenologist, pathologist, pediatrician, internist, psychiatrist, neurologist, obstetrician and orthopedist.

The insurance schemes provision for hospitalization and drugs has not been announced yet.

Average Family

The scheme for the average family will work in this way:

The family will select its general practitioner and its name will be attached to his list of health insurance patients. If the general practitioner or the insured person feels that the services of a consultant or specialist are required, the patient will be sent to this specialist or consultant, and the insurance fund will cover the cost.

The health insurance commission is drawing up a list of diseases and physical defects from which insured patients have suffered in the past. These will not be covered by the scheme, for the first year at least.

Doctors' Fees

For all this work, the commission has devised a detailed programme of doctors' fees. When an insured family first calls a doctor, it must pay $1 to him for a day call, or $1.50 for a night call. After that all treatment is free.

The original fee is designed to prevent people abusing the privileges of the scheme by making unnecessary calls on doctors. All visits to doctors' offices from the first will be free.

Every doctor will be paid $4 a year for every individual on his list of insured persons. If, for instance, a family of five is on the list, he will receive $20 for them, no matter how large or small his work for them.

May Earn $5.50

But $5.50 is being set aside by the commission to cover every insured person and the doctor may earn this much for each person if he performs more than general practice.

The sum of $1 will be set aside to cover obstetrics, specialties, consultations and surgery, and 50 cents will be used to create a reserve fund, to adjust any inequalities which appear in the scheme after six months.

A list of fees will be issued covering every form of special treatment and operations. The specialists to whom health insurance cases are referred will be paid on this basis.

For example, the obstetrician will be allowed $24 for a confinement, but if the general practitioner conducts the confinement he will get this money, in addition to the $4 which he is entitled for all patients.

Victoria Plan Saves 16 Mills

Propose to Refinance Bonds on 40-year Term

Refinancing of the capital debts of the City of Victoria, B.C., under a plan proposed by representatives of bondholders, contemplates a saving in 1937 of $598,792 in debt charges. This is equivalent to 16 mills on the dollar of 1936 assessment. While it will not be possible for all of this saving to be passed on to taxpayers it should be possible, if the plan is adopted, to provide some relief from the tax burden on real estate.

Under the plan it is proposed that the entire capital debt of the city should be refinanced through issuance of new 40-year debentures. Debentures and other debts bearing 6%, 5½% and 5¼% are to be valued for their present unexpired term to yield 4½%. This would involve payment of a premium of $347,128. Since the liquidity of the present sinking fund investments is such that it is doubtful whether the city could disburse this premium at the present time, it is suggested that this might be covered by a coupon attached to the bonds calling for payment out of the first proceeds of the sinking fund.

To Liquidate Sinking Fund

The total capital debt of the city at Dec. 31, 1936, was $18,078,884. The city's debentures held in sinking fund amounting to $3,490,323 are to be cancelled so that the amount to be refinanced is $14,588,561.

The face value of other securities in the sinking fund, after providing for payment of the premium on high coupon bonds, is $900,000. As these securities are liquidated the proceeds are to be used to retire new debentures.

Present 5% debentures are to bear the same rate of interest to their present maturity and 4½% thereafter.

Total annual debt charges under the plan are $790,206.

Bonds to be Callable

The city is to have the right on any interest date to call for redemption, without premium of the whole or any part of the debentures outstanding. If, however, a call for any part of the outstanding debentures is made prior to Jan. 1, 1947, then the debentures so called shall be chosen by lot in order of the maturity of the old debentures which they replaced.

Initial reaction to the plan by the city council has been favorable. The Financial Post is informed, however, that some minor adjustments may be made. One suggestion that is being considered is that the city should not be required to levy for sinking fund for a period of three years.

Strike Settlement Is Felt in B.C.

Benefits of U. S. Shipping Paralysis Cease—British Orders Decline

From Our Own Correspondent

VANCOUVER.—Temporary benefits to this and other British Columbia ports as a result of the paralysis of shipping in American Pacific ports have ceased now that the strike is over, and the kick-back has been anything but helpful.

London and other great world shipping centres routed many of their vessels in such a way as to avoid the strike-bound Pacific coast, as it was not profitable to send their ships all the way to British Columbia for cargo except in special instances.

British Columbia is beginning to feel the effect of this practice, and it is also suffering from the fact that there has been such an accumulation of freight in California, Washington and Oregon ports that, for the time being at any rate, this province will have to play a subordinate rôle.

Charter rates have soared in the meantime and there is an actual shortage of ships. Cargoes are accumulating here for Australia, South Africa and the West Indies. British buyers of lumber are resuming purchases in this market because they need the lumber and the Baltic states are charging all the traffic will bear, but they are absorbing a 50% increase in freight rates to do it.

66th Annual Meeting of The Ontario Loan and Debenture Company

Progress Made and Strong Position Maintained; Over Half Million Dollars Loaned in 1936 for New Buildings.

The sixty-sixth general annual meeting of shareholders was held Wednesday afternoon, 12th instant, at the Company's offices, London, Ontario.

The President, Mr. Archibald McPherson, in moving the adoption of the report for the year ended 31st December, 1936, spoke in part as follows:

"During the past year there has been a substantial recovery in business conditions throughout the country and apparently the trend is still upward. Export trade has improved considerably and better returns are evident in the production from mining, forestry and agriculture, resulting in a greater demand for manufactured articles with an increase in employment and wages in our industrial centres. While the improvement has been progressive we are still far from full recovery. Agriculture in particular is still depressed, particularly in the Prairie Provinces where, owing to continued drought conditions, the income to the farmer is very limited.

TAXATION IS OBSTACLE TO BUILDING

"The one industry which has not reacted with improvement to any appreciable extent is the building trade; very little building has been carried on except that which was directly due to government spending or government assistance. Probably the most serious obstacle in the way of building is the high municipal taxation which property owners have to face.

"If those in authority are sincere in their desire to establish recovery in building and so reduce unemployment, then they should see to it that real estate is relieved of the present taxation which is necessary to cover expenditures for relief, old age pensions, etc. The amounts required for these purposes should be raised from other sources.

"The present high taxes certainly have a very deterrent effect, discourage building, and are a serious handicap to the speculative builder. This has naturally resulted in a very limited demand for mortgage money and accordingly directly affects the progress of our own Company. The general recovery which is at present apparent is more substantial in character than any experienced during the past five years and we are very hopeful that building and construction will follow the trend and soon begin to show a natural development which should accrue to them from the improvement in other industries.

ALBERTA DEBT LAW UNFAIR TO LENDERS

"With this in mind it is with a feeling somewhat of dismay that we view the recent actions of some of our Legislatures. In this connection I would particularly direct your attention to a feature of your Directors' report, the reference to our mortgages on Edmonton and Calgary properties and the special provision it was thought necessary to make for the possible adverse effect upon the year's earnings of the recent Reduction and Settlement of Debts Act of the Province of Alberta. It seems to us important that Canadians generally should know exactly what that legislation attempts to do. Under this Act mortgages are divided into two classes, those in effect previous to the 1st July, 1932, and those taken since that date. All in the first class are called 'old debts' on which no interest from or after the 1st July, 1932, is to be recoverable so that all interest which has been paid since that date has to be deducted from the principal and the remainder of the debt is payable in 10 annual consecutive installments without interest, commencing on the 15th November, 1937. On the mortgages made since the 1st July, 1932, the interest recoverable is to be at the rate of only 5 per cent. per annum simple interest no matter what the contract rate is and interest already paid since the 1st July, 1932, in excess of 5 per cent. per annum shall be applied as a reduction on principal.

"In reference to our own mortgage investments in that province, nearly all were made previous to the 1st July, 1932, and thus under the Act are 'old debts.'

"That these so-called 'Old Debts' are good mortgages and that there has been almost first class ability to pay is evidenced: Firstly, by the fact that at the 1st September, 1936, when the Act was passed, the total of interest in arrears on same was only two per cent. on the total principal owing. Secondly, by the fact that from the 1st July, 1932, to the 1st September, 1936, the principal owing on these mortgages was voluntarily reduced by the mortgagees by approximately $350,000, or 27 per cent., during the four years.

"According to the Act all the interest paid on these mortgages since the 1st July, 1932, is to be confiscated in favor of the borrowers by our being forced to apply same on principal. That is, all the money received by us as interest revenue over the past four years and two months is to be taken from us. Furthermore, as already pointed out, no more interest is to be payable and the borrowers are to have 10 years in which to pay the remaining principal.

BORROWERS HAD MONEY FOR INDIVIDUAL USE

"As already stated our borrowers have shown a high rate of ability to pay. Most of the money was borrowed from us to build homes and apartment blocks, mostly individual homes. These homes are being used and enjoyed by the citizens of these important cities who, of their own free will, came to us for the money borrowed and contracted with us for its repayment with interest at current mortgage rates. Now their Government seek to confiscate in their favor a very large part of the money thus loaned them in good faith and in dependence upon the honorable 'will to pay' which has hitherto always been so characteristic of the Canadian people. I have reason to believe that the Premier of Alberta has stated that those who are in a position to continue payments on their mortgages should not take advantage of the Act and I have every respect for his sincerity in thus expressing his opinion. Notwithstanding this the Act has been passed by the Alberta Legislature and provides the means by which any who wish to do so may penalize their creditors and the premier's statement only emphasizes the injustice of the Act.

ATTITUDE OF BORROWERS

"Many of these borrowers do not, of course, wish to do otherwise than carry out their contracts and are writing us that they will do so and are continuing their payments according to contract. Some of them are, however, themselves also creditors and under the Act cannot collect what is owing to them and, therefore, find it difficult to pay us.

"Others, led astray by thinking that because the Act is legislation it must be honest and right, feel themselves justified in following it. Thus does the Government of an important Province of Canada seek to break down the honesty of its people.

INJURY TO CREDIT HURTS PROVINCE

"The loss to us and to all private and institutional creditors of Alberta throughout Canada and elsewhere may, of course, be serious if the Act is held to be valid and enforceable, but every thoughtful and farseeing person will realize that in the end Alberta itself will suffer the greater loss. This destruction of credit and the flight as far as possible of capital now in the Province and the cessation of any inflow of new capital cannot but cause a degree of stagnation and loss in the Province which it may take many years to overcome.

"A grave responsibility is placed on the members of our Legislatures in that they are expected to enact legislation which shall be for the good of the community as a whole. Is it not a breach of faith and a sacrifice of honor when they seek to enact class legislation such as The Reduction and Settlement of Debts Act? Is it not a doubtful experiment when the legislation so brought into force seeks to confiscate from one class of citizens and give to another class, at the same time ignoring any question of ability to pay on the part of the debtor, nor attempting in any way to discern just how severely it affects the individual who suffers from the confiscation?

DISCRIMINATORY LAWS WEAKEN FAITH IN CANADA

"Such legislation will assuredly destroy the confidence of the people in the honor and integrity of our Legislatures and especially the confidence of the citizens of other countries who made investments in Canada at a time when they had every reason to believe that the honor of our country was something that every citizen here held sacred and would not allow to be sacrificed for so-called political prestige.

"It is to be regretted that, at a time like the present, when we are apparently entering on an era of recovery, we find rising in Canada a class of politicians who have no regard for the true principles of British integrity and honesty and who, having succeeded in getting themselves elected to office, do not hesitate to sacrifice the honor of the country to their own political ambitions.

"The financial institutions of Canada are prepared as far as they possibly can, as shown by the arrangement arrived at in Saskatchewan, to do their part toward reduction of the debt burden for those who have suffered and been impoverished by drought conditions and unemployment, but it is essential that those who have not thus suffered or who have suffered but little should continue to honestly endeavor to meet their obligations.

EXODUS OF FUNDS POSSIBLE DANGER

"Mr. Finlayson, superintendent of insurance for the Dominion Government, recently stated that if legislation, similar to the Debt Settlement Act of Alberta, were enacted in all the other provinces, or in even the larger of them, it would mean the insolvency of every life insurance company in Canada and would place in jeopardy the security provided by millions of the citizens of Canada for their dependents and for their own old age. The same might be said in regard to every loan or trust company.

"It will only require one or two more instances of legislation such as we have seen in Alberta to cause an exodus of funds from Canada for investment elsewhere, which would create a very serious situation in our whole financial structure.

"I wish to take this opportunity of expressing to the Manager and staff my hearty appreciation of the loyalty which they have shown under the trying conditions, which have existed during recent years. The years of depression have caused much extra work, entailing extra demands on the time of the staff, and for their co-operation in meeting the conditions created, I wish to sincerely thank them."

ADDRESS OF VICE-PRESIDENT

The Vice-President, Mr. T. H. Main, in seconding the adoption of the report, stated there was improvement in 1936 compared with 1935 in payment of mortgage interest. An encouraging feature was the size of the payments received from those sections of Manitoba and Saskatchewan where drought either did not prevail or was not serious. The benefit of the much better prices for grain and the desire of farmers to pay when they at least received good prices for what were, at best, only fair crops, were very evident. The total number of these good payments from Western farmers was small as the fair crop areas were quite limited, but it had been years since such substantial sums had come in from individual farmers.

He mentioned that the company had done its part towards encouraging new building and consequent employment, as out of a total of $857,974 of new mortgage loans made in 1936, $514,893 was for new construction.

STRONG LIQUID ASSETS

Mr. Main also mentioned the fact that depositors and debenture holders increased by almost $400,000 the funds entrusted to the company. He pointed out for their assurance that the strong position of the company is outstanding in that the total of deposits and debentures $10,626,438 is secured by assets of $15,192,892, of which the large sum of $4,099,833 represents "liquid" securities composed of Government and municipal Bonds and cash. Also that the total assets of $15,192,892 are themselves protected by substantial internal reserves.

The report was unanimously adopted and the election of directors proceeded with, Messrs. A. McPherson, T. H. Main, J. McClary Gunn, O. Roy Moore, Edward E. Reid and James B. Orr being re-elected as the Board of Directors for the ensuing year.

Messrs. A. G. Calder, F.C.A., and George S. Jewell, C.A., were appointed the auditors of the company for the ensuing year.

At a meeting of the board of directors held subsequently, Mr. A. McPherson was re-elected President and Mr. T. H. Main Vice-President of the Company.

DIRECTORS' REPORT

London, Canada, 23rd January, 1937.

TO THE SHAREHOLDERS:—

Your Directors beg to submit their report for the year 1936, accompanied by the Balance Sheet and the Auditors' Certificate.

The funds entrusted to your Company increased by $387,477, to which increase sterling and currency Debentures contributed $129,071, and Savings Deposits $258,406.

Although the demand for mortgage loans was not active the year ended with a net increase, all in Ontario, of $180,838 in the amount thus invested.

After payment of Provincial and Municipal Taxes, Interest on Deposits and Debentures, Expenses and charges, and after making what is considered ample provision for possible losses and contingencies, the

		Comparative 1935 Figures
Net Earnings for the year 1936 are	$272,265.64*	$293,804.58
Balance brought forward from previous year	104,998.10	101,193.52
From this Total available	$377,263.74	$394,998.10
Dividends (Quarterly) have been paid	230,000.00	240,000.00
	$147,263.74	$154,998.10
Provision for Dominion Government Income War Tax for 1936, payable April, 1937	40,000.00	40,000.00
	$107,263.74	$114,998.10
Written Off Office Premises	......	10,000.00
Balance carried forward	$107,263.74	$104,998.10

*The reduction in earnings compared with the previous year is entirely owing to the special provision made by your Directors for possible loss in respect to that part of the earnings for 1936 on your Company's Edmonton and Calgary mortgages, which the Alberta Government is by its legislation attempting to confiscate in favor of your Company's debtors in that Province. This legislation, we are advised, is of doubtful constitutional validity.

During the past year the Saskatchewan Government followed the statesman-like course of consummating a planned voluntary reduction of farm indebtedness in its drought areas. The Dominion Government, the Province and its rural municipalities and the lending institutions co-operated, and each made substantial concessions. This afforded a large measure of debt reduction, much greater than could otherwise have been given, and destruction of credit was avoided. The necessity for some adjustment of this kind had been anticipated by your Directors and previously provided for.

Anything of the nature of the arrangement made in Saskatchewan has not so far been possible in Alberta because of the enactment there of the legislation referred to above. This seeks to impose, in a very arbitrary and most unfair manner without regard to circumstances, a very serious loss upon all private and institutional creditors. As such a course cannot but very seriously react upon the Province and its prospects, it is to be hoped that wiser counsels will very soon prevail.

The continued sound condition of your Company and its very strong liquid position is shown by the accompanying Balance Sheet.

All of which is respectfully submitted.

ARCHIBALD McPHERSON, President.

FINANCIAL STATEMENT

31st DECEMBER, 1936

ASSETS

Office Premises (freehold)	$ 110,000.00
Real Estate, held for sale, acquired as result of default under the Company's Mortgages thereon and taken into account at less than estimated market value	563,394.78
Mortgages—Principal, $10,198,215.60; Interest, $147,432.86	10,345,648.46
Agreements for Sale of properties acquired as result of default under the Company's mortgages thereon, taken into account at less than amount owing—Principal, $123,553.17; Interest, $411.86	123,965.03
Securities, including accrued interest—	
Bonds of United Kingdom, Dominion of Canada and Provinces of Canada	2,907,202.49
Bonds Guaranteed by Dominion of Canada and Provinces of Canada	270,563.00
Bonds of Canadian Municipalities, and School District and Rural Telephone Debentures	354,866.05
Loans on Stocks and Bonds—Principal, $21,305.33; Interest, $282.58	21,587.91
Deposits with other Loan Companies of Canada	28,610.46
Cash in Chartered Banks in Great Britain	5,310.41
Cash in Province of Ontario Savings Office	278,618.28
Cash in Chartered Banks of Canada and on Hand	233,124.72
	$15,242,891.59

LIABILITIES

To the Public:		
Debentures, Sterling, including accrued interest	$ 795,403.96	
Debentures, Currency, including accrued interest	6,998,594.06	
		$ 7,793,998.02
Deposits		2,832,440.29
Other Liabilities, including provision for Dominion Income Tax payable April, 1937		59,189.54
		$10,685,627.85
To the Shareholders:		
Capital Stock (40,000 shares of $50.00 each, fully paid)	$2,000,000.00	
Reserve Fund	2,400,000.00	
Quarterly Dividend payable 2nd January, 1937	50,000.00	
Profit and Loss Account, Balance carried forward	107,263.74	
		4,557,263.74
		$15,242,891.59

ARCHIBALD McPHERSON, President. THOMAS H. MAIN, Manager.

To The Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company continuously throughout the year ended 31st December, 1936, and find the above statements in accordance therewith. We have verified the Cash and Bank Balances, and have examined the Company's' securities and find them in order. All our requirements as Auditors have been complied with, and, in our independent opinion and according to the information and explanations given us, the above statements are properly drawn up and set forth fairly and truly the state of the Company's affairs.

All transactions that have come within our notice have, we believe, been within the powers of the Company.

London, Ontario, 22nd January, 1937.

A. G. CALDER, F.C.A.
GEO. S. JEWELL, C.A.
Auditors.

Paper Mill May Be Built In Northern Saskatchewan

Marathon Paper Co. of Wasau, Wisconsin, and other pulp and paper firms of that state, are reported to be considering construction of a pulp and paper mill involving investment of some $2 millions in northern Saskatchewan. Power would also be developed to supply the mill.

Location of the proposed enterprise is Grand Rapids on the Beaver River, northwest of Prince Albert. A necessity to the pulp and paper project would be an extension northwestward of the C.N.R. line from Prince Albert to Big River, thence to Grand Rapids. Such an extension would also give access to other timber areas by connecting with large, navigable northern lakes. Large stands of black spruce would be used in the paper project.

A. V. Dawley has represented the paper firms in negotiations with the Saskatchewan Government, and has been making an aerial survey of the northern timber lands. Marathon Paper Co. already has a contract to export 8,000 cords of spruce and has shipped about 1,000 cords to the Wasau mill.

C. F. Burns New Director of de Havilland Aircraft

C. F. W. Burns has been elected a director of de Havilland Aircraft of Canada Ltd. Mr. Burns is a member of Burns Bros. & Co., Toronto Stock Exchange firm. Other directors have been re-elected.

Although it was stated officially in the recent annual report that the company would not benefit directly from the new trans-Canada air mail service, optimism was expressed at the meeting

New St. Lawrence Bridge Awaits Ottawa's Decision

No definite consideration has yet been given by the Dominion Government, to a proposal to bridge the St. Lawrence River between Three Rivers and St. Angele de Laval, according to Hon. P. J. A. Cardin, federal minister of public works. If the Government does decide to go ahead with such a measure it would constitute a major construction job. The St. Lawrence at this point is fully as wide as at Quebec though being shallower along both shores the length of main span would not be as long as in the Quebec Bridge and possibly a swing or other opening type could be used.

Can. Western Gas Pays $1

Canadian Western Natural Gas, Light, Heat & Power Co. paid a dividend of $1 a share on the common stock on Jan. 30. The last previous payment was $1 a share on Dec. 1, 1936, which made total disbursements for that year $3 a share.

Spanning of First Narrows Will Keep Steel Firms Busy

Vancouver expects its huge Lions Gate Bridge over the First Narrows to be open to traffic by September of next year. Steel contracts for this structure amounting to $2.4 millions were recently awarded jointly to Dominion Bridge Co. and Western Bridge Co., the latter a subsidiary of Hamilton Bridge Co. Fabrication will keep the western plants of the two companies working at capacity for well over a year.

Some 10,000 tons of structural steel will be used in the bridge and the transportation of this material from the two companies' plants in Vancouver to the bridge site will be a considerable undertaking in itself. Probably the steel will be carried by water as was that for the recently completed Burrard Bridge.

The new bridge will hang 200 feet above high water and will have a set span of 1,500 feet. This with the side spans will give it a total length of almost 3,000 feet. Giant cables 16 inches in diameter will carry the structure. It will have three main lines for motor traffic on a 29-ft. roadway and two four-foot sidewalks.

A road through Stanley Park will lead to the north shore approach of Lions Gate Bridge, the total cost of which is estimated at at least $6 millions. This new communication will open up west and north Vancouver as a suburb of Vancouver proper bringing the north shore within 10 minutes drive of the centre of the city. The bridge is a complement to the extensive improvement of 4,500 acres of residential area that joins that land on both sides of Hollyburn Ridge. Both developments are almost entirely the result of British capital.

Pulp Mill Mooted By Fraser Cos.

From Our Own Correspondent

MONTREAL.—Serious consideration is being given by Fraser Companies Ltd. to the proposal to build a pulp mill in the Miramichi area of New Brunswick.

Measures toward a possible establishment of the mill have been discussed by representatives of the company and the Government, but no announcement has been made as on the outcome of negotiations.

With regard to current operations of Fraser Companies Ltd., J. S. MacLachlan, president, states that business was increasing steadily in the Madawaska mill and the Restigouche mill was in full operation.

With prices improved over last year, Mr. MacLachlan said that the company was looking forward to a good season in the overseas softwood market, with prospects for an increase over last year in lumber production.

Annual Report of the Directors of

The Goodyear Tire & Rubber Company

OF CANADA, LIMITED

New Toronto, February 3rd, 1937.

TO THE SHAREHOLDERS—

Your Directors submit herewith a Consolidated Balance Sheet of THE GOODYEAR TIRE & RUBBER COMPANY OF CANADA, LIMITED, and its subsidiary companies, with your auditors' report thereon, which sets forth the results of operations for the year ended December 31st, 1936 and the present financial position of the combined companies.

The combined operating profits for the year were $2,068,276.01 after charging all manufacturing, selling and administrative expenses and income taxes, but before providing for depreciation; from this amount there was set aside a provision of $551,931.97 for depreciation of buildings and equipment, leaving a net profit for the year of $1,516,344.04 which is equivalent to $4.73 a share on the 257,260 shares of Common stock outstanding, as compared with $4.12 a share earned in the year 1935, an increase of $71,145.33. As in former years, the profits as shown by the Annual Report include the profits on export business for the previous fiscal year of 1935 but on the other hand they do not include the accrued profits on export business for 1936.

The following summary sets out the manner in which the profits for the past year have been applied—

Consolidated net profits for the year		$1,516,344.04
Add—Provision for depreciation		551,931.97
Profits before providing for depreciation		$2,068,276.01
DISPOSITION OF FUNDS		
Dividends on 5% Preferred stock	$300,000.00	
Dividends on Common stock	643,150.00	$ 943,150.00
Expended for additions to plant and equipment (net)		274,660.94
Increase in net current assets or working capital		850,895.49
Increase in miscellaneous investments		14,711.83
		$2,083,418.26
Deduct—Decrease in deferred charges		15,142.25
Total as above		$2,068,276.01

The inventories at the end of the year were subjected to the usual careful review and are valued, as in former years, on the basis of cost or market, whichever was lower. The improvement of $850,895.49 in the working capital of the combined companies which now amounts to $9,334,722.54 is represented chiefly by larger inventories, the increases in the stocks on hand being chiefly in finished goods $207,833.31 and raw materials and supplies $612,024.40. The stocks of rubber and cotton which were increased as a matter of policy are included at prices which are well below the current market prices.

The reserves for bad and doubtful debts are considered to be fully adequate for the purpose.

Provision has been made in the accounts submitted herewith for all ascertained liabilities.

The provision of $551,931.97 for accruing depreciation of buildings and equipment was calculated at the usual rates and the accumulated reserve for depreciation now stands at the substantial amount of $7,326,499.60. After deducting these reserves, the net book value of the plant and buildings is only 39.33% of the gross book value of these assets, and the manufacturing equipment of the rubber plants, including installation, stands on the books at a net value of 14% of the gross book value.

With regard to the cash position at December 31st, it will be noted that the Companies had no bank indebtedness, that the cash amounting to $840,924.08 was more than adequate to pay the total liabilities of $673,122.37, including the dividend amounting to $162,073.80 on the Common stock for the last quarter which was not paid until January 15th, 1937. It should also be pointed out that the cash, call loans and Government Bonds aggregating $3,554,020.41 were equivalent to 5.3 times the total current liabilities and that the ratio of total current assets of $10,007,844.91 to current liabilities was nearly fifteen to one.

Dividends amounting to $300,000.00 were paid on the 5% Preferred stock, and dividends to the holders of the Common stock amounted to $643,150.00, representing four quarterly dividends aggregating $2.50 a share. Of these dividends, that for the last quarter, amounting to $162,073.80 appears on the Balance Sheet as a liability because it was not payable until January 15th. On January 2nd, 1937, your Board of Directors declared an extra dividend of $2.50 per share on the Common shares payable on or before January 15th; as this extra dividend was not declared until after January 1st, 1937 it does not appear as a liability in the Balance Sheet submitted herewith. It will be noted that the regular dividends on the Preferred and Common shares for 1936 plus the extra dividend of $643,150.00 referred to above aggregated $1,586,300.00, which exceeded the net profits for 1936 by $69,955.96.

It has been our practice to draw to the attention of the shareholders the size of the tax burden on your Company and, by inference, on industry as a whole. For the year 1936 the total amount of all taxes paid by or through your company amounted to $1,119,378.32 which represented an increase of $187,196.35, or 20% over those paid for 1935. Inasmuch as a large percentage of these taxes necessarily affects the laid down cost of products, an increase of 20% of our tax bill makes it all the more difficult for your company to retain its very valuable export business in the face of competition from other countries.

There has been a distinct improvement in business conditions in Canada in the year just passed and we anticipate that in the year 1937 there will be a further increase in the sale of rubber products, particularly in the domestic market. Your company should secure its full share of the available business in 1937.

We take this opportunity of expressing our thanks to our shareholders for their continued support and their co-operation in furthering the interests of the company and to the members of the organization in Office, Plant and Field for their loyal and efficient services rendered throughout the year.

A. G. PARTRIDGE,
President.

On behalf of the Board.

The Goodyear Tire & Rubber Company of Canada, Limited and Subsidiary Companies

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1936

ASSETS

CURRENT AND WORKING ASSETS:		
Cash	$ 840,924.08	
Call loans and government bonds at cost or market whichever is lower	2,713,096.33	$ 3,554,020.41
Accounts receivable	$1,842,839.27	
Less—Reserve for bad and doubtful accounts	195,971.99	1,646,867.28
Inventories at cost or market, whichever is lower:		
Finished goods	$1,802,958.53	
Goods in process	325,900.22	
Raw materials and supplies	2,678,098.47	4,806,957.22
		$10,007,844.91
MISCELLANEOUS INVESTMENTS:		
Stocks, bonds and mortgages		93,674.06
REAL ESTATE, BUILDINGS, PLANT, MACHINERY AND EQUIPMENT:		12,465,239.34
DEFERRED CHARGES TO OPERATIONS:		
Insurance, taxes and rents paid in advance		55,354.84
		$22,622,113.15

LIABILITIES

CURRENT LIABILITIES:			
Current accounts payable		$ 189,719.97	
Reserve for income and other taxes		321,328.60	
Dividend on Common stock payable January 15, 1937		162,073.80	$ 673,122.37
RESERVE FOR DEPRECIATION OF BUILDINGS, PLANT, MACHINERY AND EQUIPMENT:			7,326,499.60
CAPITAL STOCK:			
Five per cent Cumulative Redeemable Preferred Stock: Authorized—160,000 shares of $50.00 each		$8,000,000.00	
Issued and fully paid—120,000 shares of $50.00 each			6,000,000.00
Common Stock: Authorized—290,660 shares of no par value of which 257,260 shares have been issued		$ 128,630.00	
Capital Surplus		463,068.00	591,698.00
SURPLUS:			
Balance as at January 1, 1936		$7,457,599.14	
Profit for the year ending December 31, 1936, before providing for depreciation, but after deducting income tax	$2,068,276.01		
Less—Reserve for depreciation	551,931.97	1,516,344.04	
		$8,973,943.18	
Deduct—Dividends:			
On five per cent Preferred Stock	$300,000.00		
On no par value Common Stock	643,150.00	943,150.00	8,030,793.18
			$22,622,113.15

February 1, 1937.

To the Shareholders of

THE GOODYEAR TIRE AND RUBBER COMPANY OF CANADA, LIMITED:

We have made an examination of the consolidated balance sheet of The Goodyear Tire and Rubber Company of Canada, Limited, and its subsidiary companies as at December 31, 1936. In connection therewith, we examined or tested accounting records and other supporting evidence, and obtained all the information and explanations which we required; we also made a general review of the accounting methods and of the operating and income accounts for the year, but our audit of the detailed transactions was confined to limited tests thereof.

We satisfied ourselves that all charges to Property Accounts are in respect of actual additions, and sufficient provision has been made for accruing depreciation. The stocks on hand have been taken and valued by the Companies at cost or market prices, whichever were lower; the bad debt reserve is considered sufficient to provide for all doubtful accounts; the bank balances and call loans were confirmed by certificates, and we have taken all reasonable precautions to satisfy ourselves that all liabilities as at December 31, 1936, are included in the Balance Sheet.

In our opinion, based upon such examination, the annexed consolidated balance sheet is drawn up so as to exhibit a true and correct view of the state of the affairs of the combined companies as at December 31, 1936, and the results from the operations for the year ending on that date, according to the best of our information and the explanations given to us, and as shown by the books of the companies.

PRICE, WATERHOUSE & CO.,
Chartered Accountants.

BOARD OF DIRECTORS

P. W. LITCHFIELD
Chairman
AKRON

A. G. PARTRIDGE
TORONTO

P. A. THOMSON
MONTREAL

C. H. CARLISLE
TORONTO

C. A. STILLMAN
AKRON

J. E. McALLISTER
TORONTO

C. SLUSSER
AKRON

EXECUTIVE and FINANCE COMMITTEE

C. H. CARLISLE
Chairman

P. W. LITCHFIELD

A. G. PARTRIDGE

R. C. BERKINSHAW

EXECUTIVE OFFICERS

A. G. PARTRIDGE
President

P. A. THOMSON
Vice-President

D. C. CARLISLE
Comptroller

O. H. BARRETT
Secretary and General Councll

R. C. BERKINSHAW
General Manager and Treasurer

H. A. TIPPLE
Assistant Secretary and Assistant Comptroller

W. H. JEEVES
Assistant Treasurer

B. W. LANG
Assistant Comptroller

R. W. RICHARDS
General Sales Manager

R. P. D. GRAHAM
Manager, Export Dept.

E. H. KOKEN
General Superintendent

Untangling Railway Knots

Co-ordination of Two Lines on Contract Basis as Proposed by Sir Edward Beatty Seen as Possible Solution For Canada's Rail Problem — Plan Upheld

Swanson Backs Beatty Proposal

In this final article of his series on Canada's transportation problems, Prof. W. W. Swanson, head of the economics department of the University of Saskatchewan, points to the Beatty plan for coordinating the C.N.R and C.P.R. as the only possible solution yet presented for the railway tangle.

The articles in this series have been based on Prof. Swanson's book, "Rail, Road and River," which was published this week by Macmillan's, Toronto.

By PROF. W. W. SWANSON

Accustomed as we have become to speaking very lightly of millions and tens of millions of dollars of governmental expenditures, we must have still retained enough common sense to realize that the governmental railway adventure is today adding almost $100 millions per annum to the national debt, and to believe that this is a problem requiring the most courageous action.

The Canadian National

So bitter have been the controversies concerning the Canadian National Railways that there has grown up a belief that anything short of unlimited confidence in its past success and in its future, represents acceptance of a position opposed to the very existence of the undertaking, and of entire unwillingness to admit that it has any value.

W. W. SWANSON

This attitude cannot be condemned too strongly. The system represents the greatest investment ever made by the Government of Canada. It is to be doubted if there can be found in the history of nations as large an investment by a state in a commercial undertaking.

Commercial Undertaking

This is the point. The undertaking is a commercial one. With the exception of the Intercolonial, none of the original main portions of the system was built except for the single purpose of earning money. The system was taken over by the Government, not from any belief in public ownership, but because certain private railways had gone bankrupt.

The system does not and cannot attempt to offer services better than those provided by private railways in North America. Its trains are no faster or safer than those of its privately owned competitor. Its charges for service are identical with those of the Canadian Pacific.

Appeals to sentiment on its behalf are peculiarly illogical. There might well be reason in appealing to the public interest should there be reason to criticize the methods of the Canadian Pacific. There can be no intelligent appeal to the public interest on behalf of the Canadian National. Its purpose can only be to give the people of this country good service at fair rates. There is no longer any element of private profit involved. There should certainly be no acceptance of the desirability of an annual loss to the treasury.

Report of 1917

The Drayton-Acworth Report of 1917 expressed deep concern over the danger of extravagance and political interference in the operation of the system. Their recommendations were not accepted. The history of the Thornton régime has been summed up in most guarded language by the Royal Commission of 1931-32.

Nothing more need be said concerning the failure of the Canadian National management, from 1922 to 1932, to follow the ordinary rules of business in the administration of the property committed to their charge. Since the alteration in policies and administration which followed the Royal Commission's report and the Canadian National-Canadian Pacific Act of 1933, the career of the National Railways has been less spectacular. Despite the new policies of economy which have been inaugurated, the burden of the past still remains.

Definite Assets

There are definite assets to be placed to the credit of the system. The line from Winnipeg to Moncton was a grotesque failure as an export outlet for Canadian grain—the purpose for which it was built. This line has opened to settlement valuable agricultural areas, and has tapped a mineralized belt which has become an important contributor to the national wealth.

The system has involved this country in a huge public debt which must be honored. It is not a private corporation, and has no genuine corporate existence. It is increasingly appreciated that it is an anomalous example of confusion of Government operation with ownership, which, for all essential purposes, is in the hands of the private capitalists who own the system's bonds.

The proper appeal to sympathy is for the nation at large. The sole question is whether it is desirable to maintain the National System in its present form or not. The only legitimate reason which can be adduced for so maintaining it is the economic advantage of the nation as a whole. Whatever changes might be made in the status of the system would involve loss to some interests. The sole question is whether the changes would mean more loss or more gain to the nation as a whole.

Duff Commission

In 1931 a Royal Commission under the chairmanship of the Rt. Hon. L. P. (now Sir Lyman) Duff was appointed. Its report provided for the appointment of a board of three trustees to replace the large board of directors previously in office; and for an active programme of co-operation between the publicly owned system and the Canadian Pacific, for the elimination of useless duplication and unnecessary competition. Only those officers of the two railways who have participated in the conferences which have attempted to bring about these co-operative measures are in a position to say whether their efforts have been as whole-hearted as possible. From the head offices of both railways statements have been issued which make it clear that co-operation has its definite limits. It could not be otherwise. The officers of the Canadian National who sit in such a conference represent a company whose finances are a part of the public finance of Canada; the officers who represent the Canadian Pacific must remember the interests of the shareholders of that company. The object of co-operation is to save money. Neither group of officers can be indifferent to the division of the savings, nor let to other interests of their companies affected by any suggested plan of co-operation.

Beatty Plan

It is quite clear that co-operation is not the solution of the railway problem. The only other solution offered has been that put forward by Sir Edward Beatty.

His programme appears to be that a contract would be entered into between the owners of the Canadian National Railways and those of the Canadian Pacific. The property of each railway system would remain vested in its present owners. The combined systems would be operated by a company, the directors of which, presumably, would be appointed partly by the Government and partly by the shareholders of the Canadian Pacific Railway. Figures would be calculated showing the volume of net earnings for each system, based on experience. These figures, and an agreed ratio of division of savings resulting from unification, would govern the division of the total net earnings of the unified system between the owners of the Canadian Pacific Railway and the Government.

The entire project is a very definite attempt to solve the railway problem. Those who have expressed disagreement have done so almost entirely by pointing out difficulties to which the Beatty plan might lead. No one has suggested an alternative scheme, although various critics of the plan have expressed a belief that the entire railway problem will solve itself with the return of what they choose to regard as "normal" prosperity in Canada.

Only an extreme pessimist would doubt the restoration of a level of business in Canada higher than now exists; but it is difficult to accept the theory that any recovery which might reasonably be expected in the near future would clear up the entire railway problem.

Economy First Need

The railway problem in Canada comes as a result of our having built useless duplicate railway mileage. The solution of the problem lies in carrying on our railway operations in the most economical manner which is possible. Sir Edward Beatty has offered a programme which would be unquestionably far more economical than the present one. Those who are unwilling to accept it should at least be willing either to defend a continuance of the present system, or to offer an alternative solution.

There is no excuse for appeals to prejudice against so-called "big interests." Those who criticize Sir Edward Beatty's suggestion are not dealing fairly with the public when they use such arguments. He has offered a solution. Those who dislike it are entitled to say so; but they must face the fact that refusal to listen to a solution along similar lines, offered by his predecessor in office, was followed by a period during which the Canadian National Railways added $1,500 millions to the obligations of the people of Canada, and that in but a relatively few years more of the present condition, the burden of another $1,500 millions will most certainly be piled on Canadian industry and agriculture.

This country has a future which is—subject to external forces beyond our control—a bright and promising one. Serious as have been our economic errors, they have not been fatal. What is needed today is a liquidation of these errors as far as that can be accomplished. In that liquidation the rules to follow are those of common sense. There is no room for appeals to prejudice or to partizanship. There is no room for attempts to favor or to injure any economic group or any economic interest. Impartial and courageous handling of a problem which is difficult but not insoluble offers a brilliant opportunity to wise and courageous administrators.

Aberhart Adopts Policy Of News Censorship

From Our Own Correspondent

EDMONTON.—A definite policy of news censorship has been adopted by Premier Aberhart.

Hints that censorship was on the way were in circulation for some time, but the fact that actual suppression of news was in effect is confirmed finally, in the opinion of news reporters covering Government activities, by complete stoppage of information regarding Government plans and intentions. The censorship traces back to Mr. Aberhart, and has come into effect at a time when efforts to license the press were believed dropped. Censorship at the sources of Government news is suggested strongly as the alternative to licensing.

The censorship is not proclaimed officially, but within the past week newsmen have found the administration hedged about with a wall of silence.

The censorship is linked with a new campaign of propaganda on behalf of the Social Credit Government in The Calgary Albertan, Government newspaper, and emanating from Mr. Aberhart, through T. B. Windross, acting as liaison official, to the newspaper.

Much important information is being withheld from private members and even from some ministers, who are observing the premier's warning to avoid giving out news.

The fact that deliberate news control was in effect was revealed finally Feb. 4, when a report, known to be inspired by Premier Aberhart, appeared in The Albertan with a headline: "Relief in Taxation is Predicted."

The news story said: "Some measure of relief in taxation is likely to feature the Government's enactments and give a distinct Social Credit flavor to the rest of the legislation."

Efforts to verify this prediction were futile. Mr. Aberhart said he was "not responsible for the issuance of the report." Hon. S. E. Low, new treasurer, had been sworn into office only a day before, and could not confirm or deny the report.

Quibbles Over Plans

Again, Mr. Aberhart is quoted by a reporter as saying: "There is no 11-point programme, and there was no 11-point programme." This was in reference to the Hargrave plans for Social Credit, at first reported to contain 11 points. It was left to other sources to explain that Mr. Aberhart meant that the Hargrave plan included only 10 points. It seems one of the points was struck out by the Social Credit caucus. It is further intimated another point has been dropped since, leaving only nine.

Explanation of the new Aberhart control of news is given from a reliable source who quotes what Mr. Aberhart told the caucus in December. "There is no use telling a fellow beforehand, when you plan to hit him," is the Aberhart argument, given by this source.

There is no change in regard to news of routine administration, which is issued from various departments as usual.

Utility Board Approves Nova Scotia Power Issue

From Our Own Correspondent

MONTREAL.—Nova Scotia Light and Power Co.'s application to issue $7 millions of first mortgage bonds and $3 millions of 6% cumulative preference stock, has been approved by the Nova Scotia Board of Public Utilities.

The board, in its decision, said the bonds, paying interest of 4%, are to be sold to the public at a price not less than 95¼ and the preferred shares not less than 105. They allotted 2% for underwriting charges if the entire issue is not taken up by present stock and bond holders.

The bonds have already been offered to the public on a conditional basis by the Royal Securities Corp. The preferred will be brought out later.

Proceeds of the issue will be used by the company to retire the present outstanding first mortgage debentures, funding of money already spent in acquisition of shares of subsidiary companies, and funding of previous expenditures for plant additions.

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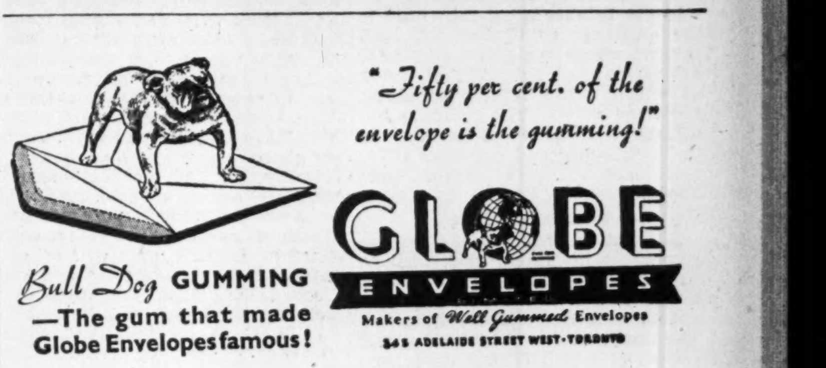

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Foundation, Okalta Join Toronto List

Two Newcomers Make Bow on Toronto Stock Exchange

STATEMENTS ISSUED

Shares of Okalta Oils Ltd. and Foundation Petroleums have been listed on the mining section of the Toronto Stock Exchange.

Okalta Oils was incorporated in Nov., 1925, and has an authorized capital of $450,000 in preferred stock with a reduced par value of $60. Par value was reduced from $100 due to capital distribution to shareholders to a total of $40 a share. In addition the company's authorized capitalization includes 1.8 million shares no par value all of which have been issued.

Property leases comprise about 6,244 acres while 1,240 are held subject to a 5% royalty gross, in addition to a further 5% royalty gross on 970 acres all in the Turner Valley and vicinity.

Subleases

Since October 1, 1936, ten subleases were granted calling for commencement of drilling on one well on each sublease within three months from the date of release. The agreement also calls for a second well within three months after completion of the first period. Royalties to Okalta are to be 10% gross if production is less than 500 bbls. daily and 15% on production of 500 or more bbls. per day.

In the balance sheet submitted to the exchange as of Dec. 31, 1936, current assets are given as $30,867 against current liabilities of $2,686, of which $2,080 is for unclaimed preferred shares. The company has $38,860 in Dominion of Canada and C. N. R. bonds and possesses 11,744 preference shares of Antler Gold Mines.

Foundation Pete

Foundation Petroleums was incorporated in March, 1936, with an authorized capitalization of $500,000 in two million shares of no par value not to exceed 25 cents per share. The company shows 1,100,000 shares issued, of which 639,400 have been sold for cash at 25 cents per share, and 360,600 for properties and drilling.

The company has brought in one producing crude well, as reported recently. The balance sheet as at Jan. 15, 1937, shows current assets of $8,663. Liabilities include $10,212 owing to Anglo-Canadian Development for surface equipment; workmen's compensation $15.89 and reserve for gross royalty holders $2,183.

Foundation Petroleums took over the assets of Northwest Royalties for one million Foundation Petroleum shares. The whole net production from the well is turned over to Trusts & Guarantee Co. After deduction of operating expenses and the trustee's fees proceeds are distributed monthly to shareholders.

Pacific Eastern Issues Comprehensive Report

A comprehensive report on development and position of Pacific Eastern Gold Bridge River property is contained in the annual report of the company for the fiscal year ended Dec. 31, 1936.

In a report dated Jan. 19, 1937, Dr. Victor Dolmage, consulting geologist, states that work to date has been confined to two places; the main crosscut has been continued to the south into the second band of greenstone and the 690 drift at the bottom of the winze has been extended to the east and the west. Dr. Dolmage recommends continuation of this work.

The property is also reported on by R. H. Stewart, consulting engineer. In the balance sheet as at Dec. 31, 1936, current assets are shown at $24,249 including cash of $14,473. Current liabilities were $11,241. Net market valuation of investments was $22,640, comprising 2,000 shares of Bralorne and 500 shares of Pioneer.

Of an authorized capitalization of five million shares, a total of 3,377,087 is shown as issued.

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Bain Approves Gold Stocks As Insurance Investment

Speaking at the annual meeting of National Life Assurance Co., H. Rupert Bain, new president, pointed out that inclusion of gold mining stocks in the portfolios of leading Canadian life insurance companies reflected the fact that such stocks were now generally agreed to be "tried and proven investments."

Mr. Bain stated:

"One problem which has faced most life insurance companies in the past year or two has been the search for a safe and profitable outlet for their funds. To me personally it has been very interesting to note that several life insurance companies in Canada have recently added to their portfolios the securities of some of our leading mining corporations. This is of interest in two ways. It indicates the prestige which this industry has achieved in Canada and abroad during recent years, and it indicates the inherent soundness of some of our leading mining companies in that they can measure up to the very rigid requirements of the federal insurance act.

"During the depression years the mining industry has probably made greater strides than any other industry in Canada, and has become established as one of the principal Canadian industries making an important contribution to the economic life of the country, a contribution which has enabled Canada to weather the depression probably better than other countries less fortunate in their supply of natural mineral reserves. Your directors feel, therefore, that the securities of these well-seasoned investments which are so intimately tied to this important industry are a fitting outlet for the investment of a portion of your company's surplus funds from time to time—always, of course, within the rigid limitations of the federal insurance act."

Normetal Plans Capital Change

Proposes to Offer Rights as Plans Under Way to Reopen

A proposal to increase the number of common shares in the authorized capitalization of Normetal Mining Corp. by one million and to redeem and cancel the class A and class B preferred stock at $100 per share, leaving only the common stock, will be laid before shareholders at the annual and special meetings to be held in Toronto on Feb. 18. At the same time, shareholders will be asked to ratify an underwriting agreement by which Mining Corp. will firmly underwrite 1,877,506 shares of Normetal at 75 cents per share.

Under the new proposal, shareholders of record Feb. 26, 1937, will be given the right to purchase one additional share at 75 cents for each share held. This offer will be underwritten by Mining Corp. and will place $1,408,129 in the company's treasury.

J. H. C. Waite, president, states that orders have been placed for the necessary machinery and equipment to reopen the mine and redesign the mill. It is expected that the mine will go into production on a 200 to 250 ton per day basis during the summer.

Smelters Refilling Sullivan Honeycomb

From Our Own Correspondent

VANCOUVER.—Consolidated Mining & Smelting Co. has undertaken an unusual project in the refilling of its excavations at Kimberley. Mine waste, surface material and glacial drift is being dumped into the underground cavities on an extensive scale.

Operations at the Sullivan mine have been increased to such an extent recently that the mining will outdistance the refilling by a considerable degree, but the company hopes eventually to fill in its vast honeycomb of mines.

Bouscadillac Drift In High-grade Ore

At Bouscadillac Gold Mines, formerly known as Graham Bousquet in Northern Quebec, the west drift on the 125-ft. level has reached its objective under the diamond drill hole number 30 which gave attractive results in the past. Results from the west face on the 125-ft. level gave values of $72.80 in gold, which was obtained from the sampling of 17 cars, representing a width of about five feet.

Andrew Walz, consulting engineer, points out that hole number 31, still 50 ft. in advance of this heading, contained attractive values in gold and showed the characteristic structure of the district.

Chibougamau Goldfields Sells Optioned Stock

From Our Own Correspondent

MONTREAL.—Consolidated Chibougamau Goldfields has notified the Montreal Curb Market that 25,000 additional shares have been taken up under the terms of the option agreement, leaving 290,000 shares under option at $1 a share.

Hedley Mascot Sells New Stock

Nesbitt, Thomson and Co. Take Option From Coast Mine

From Our Own Correspondent

MONTREAL.—Negotiations have been completed between Hedley Mascot Gold Mines, operating adjoining the Nickel Plate Mines in British Columbia, and Nesbitt, Thomson & Co., for the sale of stock and an option agreement.

By this arrangement and the conversion of $320,000 loans notes into common stock, it is estimated the company will have on hand by next August, $1 million, permitting development upon a large scale and the initiation of dividends at an early date to the extent of earnings.

The purchase covered 10,000 shares at $1.62½ cash for each share, an option for 90 days upon 100,000 at the same price, and option upon a further 100,000 shares for 12 days at $2.25 a share, an average price of $1.83½ a share, yielding $550,000.

The capital of the company is three million shares of $1 par value each, with 1,665,011 issued, of which 1.2 million were placed in escrow.

Development was financed by the sale of 7% three-year convertible notes up to $330,000, exchangeable on the basis of 100 shares of common for each $100 par of notes.

Powell Rouyn Options Taken Up in Advance

W. R. Johnston, president of Powell Rouyn Gold Mines, adjoining Noranda, states that optionees have taken down 50,000 shares of treasury stock at a price of $1 per share ordinarily not due for payment until April 15 next, with 50,000 still to be taken up at that price.

At the mine, development is being pushed ahead and electric power is being delivered and will be shortly hooked up. The new three-compartment shaft is down 50 feet and drifting underground has been resumed.

Further options on treasury stock of this company consist of the following: 50,000 shares at $1 per share, 100,000 shares at $1.25 per share; 100,000 at $1.75 per share and 165,000 at $2 each. Options on 100,000 shares at 50 cents each; 200,000 at 80 cents each and 50,000 at $1 per share have already been taken up.

Mining Companies Newly Formed

Abbeville Gold Mines—Que. incorp. Jan. 11, 1937. H. O. Montreal. Author. cap. $4,000,000, par $1.

Alkenore-Buffalo Gold Mines—Ont. incorp. Jan. 13, 1937. H. O. Toronto. Author. cap. $4,000,000, par $1.

Armistice Gold Mines—Ont. incorp. Jan. 18, 1937. H. O. Toronto. Author. cap. $5,000,000, par $1.

Belmore Bay Gold Syndicate—B. C. incorp. Jan. 25, 1937. H. O. 302 Pacific Bldg., 744 Hastings St. W., Vancouver. Author. cap. 3,000 shares, no par value.

Boyden Red Lake Gold Mines—Ont. incorp. Jan. 13, 1937. H. O. Toronto. Author. cap. $3,500,000, par $1.

Claw Lake Gold Mines—Ont. incorp. Jan. 22, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Crosanada Exploration & Mining—Ont. incorp. Jan. 22, 1937. H. O. Toronto. Author. cap. $200,000, par $1.

Dorex Gold Mines—Ont. incorp. Jan. 16, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Gascon Long Lac Mines—Ont. incorp. Jan. 14, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Gignac Gold Mines—Que. incorp. Jan. 19, 1937. H. O. 402 Perreault St., Rouyn, Quebec. Author. cap. $3,000,000, par $1.

Hedley Shamrock Gold Mines—B. C. incorp. Jan. 20, 1937. H. O. Suite 1508 Standard Bank Building, 510 Hastings St., W. Vancouver. Author. cap. $2,000,000, par $1.

Hol-lac Gold Mines—Ont. incorp. Jan. 14, 1937. H. O. Timmins. Author. cap. $40,000, par $1.

Humboldt Gold Mines—Ont. incorp. Jan. 13, 1937. H. O. Toronto. Author. cap. $50,000, divided into 10,000 shares of $5 each.

Macaboug Gold Mines—Que. incorp. Jan. 9, 1937. H. O. 80 Saint Peter St., Quebec. Author. cap. $3,000,000, par $1.

Maryland Red Lake Gold Mines—Ont. incorp. Jan. 27, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Niparea Prospectors—Ont. incorp. Jan. 23, 1937. H. O. Leaside. Author. cap. $40,000, par $1.

Norwest Exploration—Alta. incorp. Jan. 14, 1937. H. O. Edmonton. Author. cap. $20,000, par $1.

Octo Long Lac Gold Mines—Ont. incorp. Jan. 6, 1937. H. O. Sturgeon Falls. Author. cap. $2,500,000, par $1.

Oremonte Mines, Inc.—Que. incorp. Jan. 25, 1937. H. O. Montreal. Author. cap. $3,000,000, par $1.

Otter Lake Gold Mines—Ont. incorp. Jan. 13, 1937. H. O. Toronto. Author. cap. $4,000,000, par $1.

Rex Athabasca Gold Mines—Sask. incorp. Jan. 22, 1937. H. O. Goldfields, Sask. Author. cap. $2,000,000, par $1.

Ritoria Mines—Ont. incorp. Jan. 23, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Silver Cup Mining and Milling—B. C. incorp. Jan. 25, 1937. H. O. c/o E. A. Boyle, Second Street West, Revelstoke. Author. cap. $200,000, par $1.

Sullivan Bourlamaque Gold Mines—Que. incorp. Jan. 12, 1937. H. O. Montreal. Author. cap. $3,000,000, par $1.

Taylor Cadillac Gold Mines—Que. incorp. Jan. 19, 1937. H. O. Montreal. Author. cap. $3,000,000, par $1.

Tiblemont Siscoe Mining—Que. incorp. Jan. 23, 1937. H. O. Montreal. Author. cap. $3,500,000, par $1.

Uchi Gold Mines—Ont. incorp. Jan. 20, 1937. H. O. Toronto. Author. cap. $3,000,000, par $1.

Universal Exploration (1937)—Ont. incorp. Jan. 22, 1937. H. O. Toronto. Author. cap. $2,500,000, par $1.

Yama Gold Mines—Ont. incorp. Jan. 19, 1937. H. O. Toronto. Author. cap. $3,500,000, par $1.

Change of Name

Bagamac Rouyn Mines—Supplementary letters patent were issued Jan. 25, 1937, changing the name of the company to Bagamac Mines.

British Columbia Mining Exploration—Notice given Feb. 4, 1937, that company will apply for approval to change its name to Couldrey Creek Oils.

J. D. Nicholson Mines—Notice given Jan. 21, 1937, that the name of the company has been changed to Nicholson Mines.

Surrender of Charter

Junior Golds Securities—Notice given Jan. 15, 1937, that surrender of charter has been accepted and same was cancelled Feb. 8, 1937.

Miller-Adair Mines—Notice given Jan. 14, 1937, that surrender of charter has been accepted and same was cancelled Feb. 8, 1937.—Ontario Gazette Jan. 30, 1937.

Reward Makes Better Picture

Applies to List Stock on Toronto Exchange

Reward Mining Co. is making application to list its stock on the mining section of the Toronto Stock Exchange. Reward, a British Columbia company, is already listed on the Vancouver Exchange.

According to C. P. Riel, managing director, Reward's position at the present time reflects considerable improvement.

The company is now capitalized at five million shares, $1 par. At the present time it has 1,953,834 shares in the treasury, some $40,000 in cash, and has current liabilities in the neighborhood of only $1,000.

Of interest to Reward shareholders, of which there are estimated to be over 3,000, are the company's holdings in Reward Oils Ltd., which is currently starting to drill on ground between Turner Valley Royalties, and Foundation Petroleums. Reward Mining Co. owns some 500,000 shares in this company, which was recently formed to develop the property.

Porcher Island

Also of interest is the work being done on the Porcher Island property, which Reward has under option to purchase. The price involved is $40,000, spread over a three-year period. Some $8,000 has already been paid, although the first payment, The Post understands, is not due until November. Reward has spent about $50,000 on developing and equipping this property for mining, in accordance with the recommendations made by Dr. Victor Dolmage, J. B. Galloway, and N. E. Nelson. Mr. Riel states that the veins on this group are narrow and high grade. It is planned to install shortly a concentrator mill on this property, shipping the concentrate to Tacoma, as has been done on the adjoining Surf Point Mine, owned at present by Noah Timmins Estate.

In addition to these interests, Reward holds at present, according to Mr. Riel, 2,500 shares B. C. Cariboo Gold Mines; 10,305 shares Federal Gold Mines; 14,666 shares Atlas Gold and 150,000 shares of Bridge River Motherlode.

As geological bets, Reward also owns outright 11 claims adjoining Pioneer Gold Mines, in Bridge River and 13 claims adjoining Island Mountain Gold Mines on Island Mountain.

New Company At Island Lake

Manistik Lake Gold Mines Formed For Development

From Our Own Correspondent

WINNIPEG.—Renewed activity at Island Lake in Manitoba, 150 miles east of Norway House is presaged in the formation of the Manistik Lake Gold Mines.

A crew is already on the ground, getting out cordwood, erecting camps and getting things in readiness for an active summer campaign.

Manistik Lake Gold is the outcome of three or four years prospecting in this section of Island Lake, which is about 13 miles west of the original Island Lake Gold Mines.

The property for the most part is located on High Rock Island, which lies just to the south of the easterly end of Confederation Island, the largest island in the lake.

The vein, which appears to be a true fissure vein, has been traced right into the heavy overburden. On the south slope a number of pits and trenches have been excavated and values running into big figures have been found.

W. W. McLean is president of the new organization, with J. B. Nicholson as vice-president and Angus McDonald as secretary-treasurer. Sufficient money has already been secured to assure the preliminary development, which in addition to taking in necessary supplies, getting out wood, erecting camps, also contemplates the cutting of a bench on the southern slope and sinking a shaft from this bench to explore both under the lake and under the island.

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Claim 2 Per Cent Nickel at Great Falls Group

From Our Own Correspondent

WINNIPEG.—A smelting proposition is forecast for the eastern district of Manitoba, about 30 miles to the east of Lac du Bonnet. Great Falls Mining and Smelting property which has been under investigation by Northfield Mining Co. is reported to have responded well to diamond drilling. Great Falls is an aggregation of a number of smaller companies, all of which were at one time fairly active but none of which individually had sufficient ore to interest big companies.

Drilling now has been going on for several months and what was once believed to be a copper property is understood to be turning into a nickel proposition running to slightly over 2% nickel.

It is now reported that a new company is to be formed from Northfield interests, and exploration on a more extensive plan will be undertaken.

Mining Corp. Options Bidlamaque Shares

Mining Corp. of Canada has taken an option on approximately a 40% interest on the treasury shares of Bidlamaque Gold Mines Ltd., it is shown in the quarterly report issued over the signature of J. H. C. Waite, president. Two diamond drills on this property have been at work and recently a large shear zone was cut with lenses of quartz. While values have been obtained in several of the holes nothing of a definite nature has been developed as yet.

At the company's subsidiary operation, Laguna Gold Mines, the mill during the quarter treated 5,617 tons from which gold bullion to the value of $104,900 was produced.

At Base Metals property work ceased, owing to weather conditions on Dec. 7 and will be resumed as soon as possible in the spring.

Flin Flon Gold To Drill Deep

Lateral Work on Fourth Level is Nearing Completion

From Our Own Correspondent

WINNIPEG.—Development work is progressing fast at Flin Flon Gold Mines at Douglas Lake. Lateral work on the fourth level at 440 ft. is now nearing completion and stations are being cut preparatory to diamond drilling a further 300 to 350 ft. below the fourth level. Excellent widths were opened up on the latest drifting the vein being well defined and well mineralized, in places much wider that drift widths. Underground work, Dr. Wright, consulting geologist for the company, says in a report to directors, has demonstrated that the schist body and its enclosed mineralization extends to 450 ft. in depth without change in general character.

The deposit is three miles from granite to the west and he remarks that conditions for ore deposition should continue much deeper than at present explored.

Funds are on hand for the additional exploration programme and negotiations are being carried on looking to the erection of a milling plant based on a 100 tons per day scale, which is slightly larger than originally contemplated.

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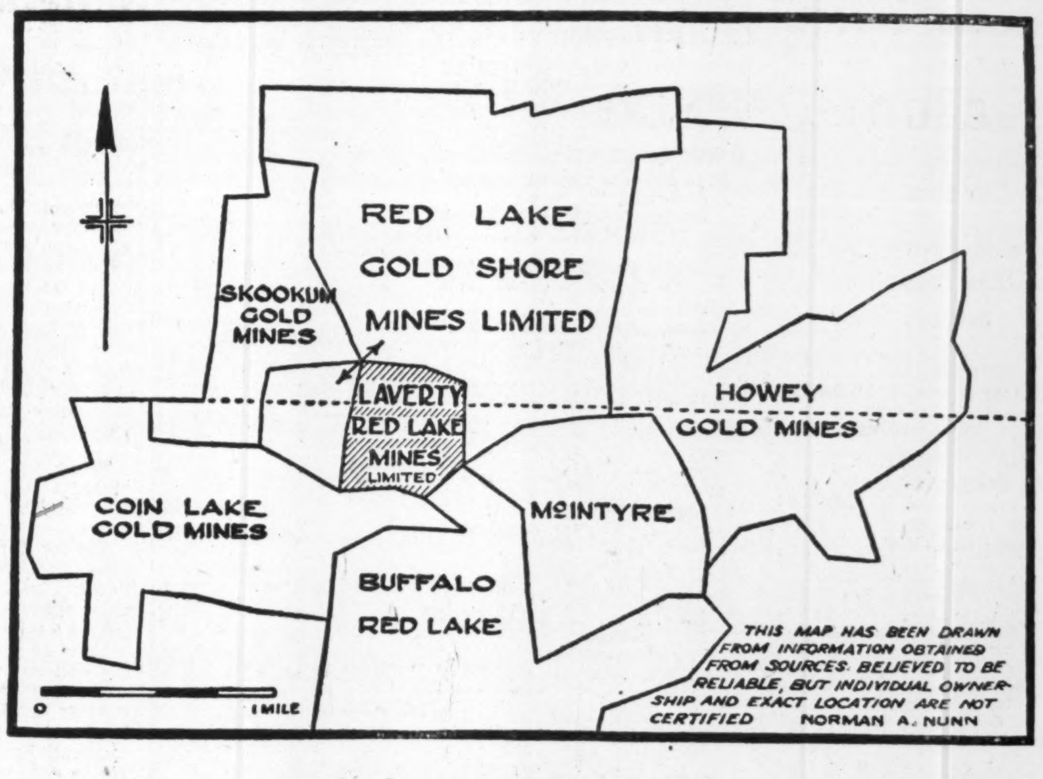
Informational Bulletin
LAVERTY RED LAKE MINES, LIMITED
(NO PERSONAL LIABILITY)
(Adjoining Red Lake Gold Shore Mines, Limited)
Incorporated under Part XI of The Companies Act of Ontario
CAPITALIZATION
Authorized, $1.00 par value - - - - - - - - - - 3,000,000 shares
Issued for Property (escrowed): - - - - - - - - 1,500,000 shares
Paid for in Cash: - - - - - - - - - - - - 100,005 shares
Shares Optioned: - - - - - - - - - - - - 900,000 shares
Shares Remaining in Treasury: - - - - - - - - 499,995 shares
DIRECTORATE
J. B. ST. PAUL, President, Toronto, Ont.
HUGH ROBERTS, Vice-President, Toronto, Ont.
SAM. TAYLOR, Secretary-Treasurer, Toronto, Ont.
W. P. MACKLE, Director, Red Lake, Ont.
W. H. LAVERTY, Director, Fort William, Ont.
Solicitors: WILLIAM H. PRICE & CO., 803 Sterling Tower, Toronto, Ont.
Consulting Engineer: W. P. MACKLE, M.E., Red Lake, Ontario
Registrar and Transfer Agents: THE TRUSTS AND GUARANTEE COMPANY, LTD. Toronto, Ontario
Auditors: P. S. ROSS & SONS, Toronto, Ontario
HEAD OFFICE: 244 Bay St., Toronto, Ontario



THIS MAP HAS BEEN DRAWN FROM INFORMATION OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, BUT INDIVIDUAL OWNERSHIP AND EXACT LOCATION ARE NOT CERTIFIED NORMAN A. NUNN

Salient Features

The property of Laverty Red Lake Mines, Limited, comprises a group of 6 Patented Claims in one of the most active sections of the Red Lake District. It is bounded on three sides by Red Lake Gold Shore Mines Ltd., now in production, milling 140 tons per day.

EXCERPTS FROM REPORT OF W. P. MACKLE, M.E. (August 3rd, 1936)—"The property is bounded on the north, east and west by Red Lake Gold Shore Mines, Ltd. ● The property lies wholly within the granodiorite area and in the same formation in which are located the Red Lake Gold Shore Mines, Ltd., Coin Lake Gold Mines, Ltd., Skookum Gold Mines, Ltd., and also the McKenzie Red Lake and others on Mackenzie Island. ● On the adjoining properties the ore occurs along the contacts of a system of basic dikes that cut the granodiorite in two general directions.

REPORT—These same structural conditions exist on the Laverty Group. One of them, about 20 feet in width, cuts the north-west corner of KRL 5136. ● Another dike striking N. 40 W. is located on KRL 5137. This also has some well mineralized quartz containing a fine visible gold running along the foot-wall contact. A third dike, which may be the possible continuation of the Gold Shore dike system, is located along a steep bluff on KRL 5138 and is about the centre of the claim. The quartz, about 24 inches in width, is very heavily mineralized with chalco-pyrite and pyrite and also contains coarse visible gold. This is a particularly good looking showing.

CONCLUSION—Some work that has been done on the neighboring Coin Lake Gold Mines property to the south has shown the existence of several of these basic dikes that have been traced to the boundary line of the Laverty Group and apparently carry on into this property. ● The geology of the group is identical with the Gold Shore and other adjoining properties that have been proven to be favorable for gold deposition. The fact that gold has been found along three of these basic dikes on the property makes it a very attractive section, and I consider the property both from location and geology to have considerable merit." ● In conclusion, I feel that the expenditure of a considerable sum of money is justified in carrying on an extensive programme of surface exploration."

DEVELOPMENT WORK TO DATE under the supervision of Lendall P. Warriner, M.E., reports development work has disclosed the presence of three smaller dikes, tributory to the main lampophrye. Of these, two showed quartz and the typical pyrite-chalcopyrite mineralization. A pit blasted into the moreeasterly dike was channel sampled, two consecutive sections of 16" and 13" returning 1.02 oz. and 1.03 oz. respectively, for a width of 29" and a grade of better than one ounce. A stringer of quartz intersecting this dike under deep overburden gave .57 oz. in gold per ton across 4", 1.40 oz. from a grab sample, and 1.18 across 5" over the thirty feet of its exposed length. The length of dike with its attendant zone is approximately 560 feet, with an average width of 80 feet, plunging undiminished under a swamp at the north end, and under deep cover at the south. It is estimated that nearly 2,000 feet along the strike of this structure lies within the Laverty boundaries. ● Quartz which gives excellent pannings, is plentiful in this zone. Already two dikes have been uncovered. It is reasonable to suppose, therefore, that wherever there was sufficient fracturing in the vicinity of these dikes to permit the entrance of quartz, good orebodies will be found. ● Mr. Warriner recommends diamond drilling on the main zone, and also its probable intersection with the Gold Shore main break, and he further urges that a considerable sum of money be expended in thorough exploration of Claims KRL 5136, 5137, 6980, and 6981, in addition to the continuation of present surface work on KRL 5138 and 6979. The company plans to institute an active development and exploratory campaign immediately.

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Week in Mining

Base Metals and Oils Slow Golds' Activity

Rising Metal Prices, and Listing of Oils on Eastern Exchanges, Gets Public Attention

Further advance of base metal prices, and the listing of several western oil issues in Eastern Canada, resulted in focusing public interest on these two classes, and obscuring the gold issues on Canadian exchanges during the past week.

As a result, prices of gold stocks declined generally, although O'Brien showed its strength in face of a general decline and sold at higher levels.

Base metals such as Pend Oreille, Sherritt-Gordon, Noranda, Waite Amulet, Coast Copper and Aldermac, have all been, over a long period, popular stocks. This trend was accentuated by the recent sharp increases in the price of copper, lead and zinc.

New York domestic copper prices were raised by one cent during the week, bringing the price at time of writing to 14 cents a pound. This is the highest price since April, 1930, and climaxes an increase of nearly five cents a pound in the past 12 months.

While the matter is open to debate, most copper men appear to doubt that the United States domestic price for the red metal will increase to such an extent that the four cents per pound tariff on world copper will be rendered ineffective, necessitating a further increase in the tariff.

Capital For Turner

IT is now generally conceded, even by the most cautious, that Alberta has gone a long way toward proving the existence of a crude oil deposit of unknown dimension in the south Turner Valley.

Such a development is of the utmost importance to Canada, and is attracting attention the world over. Canada, as a nation needing capital, will be either better off or worse off as a result of the attention Turner Valley is getting among foreign speculators and investors. The decision does not altogether rest with the size or possibilities of the crude deposit. It is of tremendous importance that Canadian companies, in offering the various investment and speculative propositions, exercise ordinary caution and apply ordinarily sound business principles.

It is encouraging to see that the Toronto Stock Exchange has, in the past few weeks, listed the stocks of five western oil concerns, namely Pacalta, Okalta, Foundation, United, and A.P. Consolidated. Eastern capital needs the outlets that the West can give it. The more companies that place themselves under the supervision which Exchange listing implies, the better.

* * *

War on Crooks

THE war which the mining industry has been waging against crooked promoters still continues, according to comment received on The Financial Post's articles on this question.

From Seattle, Washington, O. H. Solibakke, well-known western promoter, and largely responsible for the financing of the successful Cariboo Quartz Mining Co., writes:

"I have been following with a great deal of interest your renewal of the battle to eliminate crooks from the handling of other people's money in the mining business.

"If we had more papers like The Financial Post, of similar opinion, courage, and inclination to go after those fellows, they would find it impossible to continue.

"When I see a newspaper that wants to be classed as a respectable sheet, aiding and abetting these vultures, I am filled with a contempt for them, greater than the contempt I feel for the crook. Simultaneously with aiding and abetting the crook, they make a show of trying for some reform or other.

"Unless the ethics of the entire business world improve, it will be a matter of only a short time before the present civilization perishes. Anyone unable to see this trend is blind."

* * *

From the North

THE Sudbury Star, which is published in the heart of one of the world's largest great mining camps, recently commented in similar vein. Speaking of the criticism which The Post's series stirred from a Toronto morning paper, the Star states: "One is inclined to the view that politics is not altogether divorced from that paper's attitude."

The Star's editorial continues:

"Straightforward and honest promotional and financial methods are all that is necessary to raise money for mining development under existing conditions, and fly-by-night promoters who use dishonest methods in selling mining securities not only contribute nothing to the progress of the industry, but they do untold harm and create distrust among thousands who become victims of their wiles .

"There will be general agreement that John Godfrey, securities commissioner, and his assistants have done good work in cleaning out the highbinders, but it would be absurd to suggest that they can lie back now and let things drift."

* * *

Index to Mining Stocks

INTEREST shifted to a considerable extent from metals to oils on the mining market during the week ended February 11, and both trading volume and prices declined. The gold group fell from 141.6 to 139.6 during the period, while the weekly average of 140.3 was down 1.0. Base metals dropped sharply from 323.3 to 316.3, but recovered to close at 320.6. The weekly average of 318.6 showed a decline of 3.0. The general mining stock price index moved down 1.3 to 175.1. This series which reflects prices of stocks for producing mines was much less affected by the market decline than speculative nonproducing issues.

Mining Dividends

	Rate	Close Feb. 15	Yield %
Anglo-Huronian	20c	8.25	..
Beattie Gold	†5c	1.50	..
Bralorne	40c+15c	8.65	..
Buff. Ankerite	50c	12.00	4.2
Bulolo Gold	‡1.40	29.00	..
Cariboo	10c	1.65	6.1
Central Patricia	†4c	4.70	..
Coniagas	12½c	3.45	..
Cons. Smelters	$1+$1	77.25	..
Dome Mines	$2+$2	48.25	*8.3
Falconbridge	30c	10.12	2.9
Hollinger	65c+45c	14.50	*8
Howey Gold	2c	.60	..
Hudson Bay	$1	33.30	..
Island Mountain ...	‡10c	1.13	..
Int. Coal & Coke ..	‡1c	.22½	..
Inter. Nickel, c.	$2	64.12	3.1
Inter. Mining	15c	16.50	..
Kirk. Lake	‡3c	1.15	..
Kerr Lake	5c	.55	..
Lake Shore	$5	58.25	8.6
Lava Cap M.	4c+1c	.82	..
Little L. Lac	30c	7.65	..
Macassa	15c	7.80	2
McIntyre	$2	40.75	4.9
McKenzie R. Lake .	6+1c	1.83	..
McKinley Sec.	2½c	.60	..
McWatters Gold ...	5c	.90	..
Noranda	$3	74.00	4
Nor. Can. Mining ..	2c	.75	..
Nipissing	50c	3.00	..
Premier	12c+1c	3.90	*3.3
Pioneer, B.C.	80c	6.30	12.7
Pickle Crow	20c	8.40	2.4
Reno	12c	1.21	9.9
San Antonio	14c	2.10	..
Sheep Creek	8c	.65	12.3
Siscoe	20c	5.90	3.4
Sudbury Basin	10c	5.60	..
Sylvanite	20+5c	4.35	*5.7
Teck-Hughes	40c+5c	5.85	*7.7
Toburn	8c	3.95	2
Ventures	2½c+2½c	2.75	..
Wright-Har.	•40c+20c	7.90	*7.6
Ymir Yankee Girl .	5c	.47	..

‡Interim. †Initial.
*Yield includes bonus.
•Includes 10c. interim paid Feb. 1.

Falconbridge Shows Higher Net Earnings

Earnings per share of about 56 cents, highest in the company's history, and ore reserves of over five million tons, gained at the expense of a slight reduction in grade, are highlights in the annual report of Falconbridge Nickel Mines.

Ore reserves, as at Dec. 31, 1936, amounted to 5,331,076 tons, averaging 1.81% nickel, and 0.88% copper. This compares with tonnage of 4,059,475 at the end of 1935, grading 1.93% nickel, and .91% copper.

In accounting for the drop in grade, the management points out that the greater amount of this tonnage comes from the east ore body in the No. 5 shaft area, and averages lower in grade than the old No. 1 shaft workings. However, departure from this condition is shown on the 1,200-ft. or bottom level, where widths and ore grade, compare favorably with No. 1 shaft workings.

Extensive construction programmes both at Falconbridge mine and smelter and at the refinery in Norway, brought capital expenditures for 1936 to a total of $2,140,624, the greatest in the company's history.

The balance sheet of the company shows current assets totalling $2,499,033 against current liabilities of $441,625, leaving working capital of $2,057,378. This compares with working capital of $2,860,895 at the end of 1935.

Consol. Income & Surplus Acct. Years Ended Dec. 31	1936 $	1935 $
Metal sales	5,366,754	4,829,720
Less: Sell., deliveries & exchange	187,942	189,347
Add: Incr. in metal inventories	187,913	81,632
Inc. from operations..	5,366,725	4,722,005
Less: Ming., smelt., refin., etc.	2,946,595	2,337,040
Admin. & gen. exp.	100,118	75,297
Operating profit	2,320,012	2,309,668
Add: Non-oper. rev...	84,677	94,268
Gross profit	2,404,689	2,403,936
Less: Prov. for taxes..	242,790	246,819
Def. develop. w/o ..	178,735	135,772
Depreciation	545,293	437,159
	1,437,871	1,584,186
Add: Profit on sale of secs.	435,736	184,374
Net profit	1,873,607	1,768,558
Less: Dividends	1,001,234	997,670
Surplus for year	872,373	770,888
Add: Prev. surplus ..	1,927,499	1,156,611
Balance carried for'd..	2,799,872	1,927,499
Earnings per Share and Dividend Record:		
Earned	$0.56	$0.53
Paid	0.30	0.30
Shares Outstanding ..	3,337,507	3,337,007

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Stock Change Is Planned For Arntfield

Parent Company Proposes Wider Distribution for Stock

REPORT PROGRESS

Aimed at getting wider distribution of the company's stock, and facilitating its listings, Arntfield Mining Syndicate Ltd. in its annual report for the year ended Dec. 31, 1936, proposes a plan for revising the capital status and changing the name of the company.

By this proposal, all the assets of Arntfield Mining Syndicate Ltd. would be sold to a new company, to be known as Pennaque Mining Corp. which will have a Quebec charter, and an authorized capitalization of three million shares $1 par.

Each share of Arntfield Mining Syndicate will represent two shares in the new company. Arntfield Syndicate is capitalized at 1.5 million shares, $1 par, of which 1,159,348 have been, or are to be issued.

This change will not, of course, affect the position of the subsidiary, Arntfield Gold Mines, the Quebec producer.

At Arntfield Gold Mines, the mill is currently handling from 180 to 200 tons daily, and while it is not making, according to F. S. Arntfield, president, "substantial profits," owing to the large development programme, it is believed that profits will increase in 1937.

Salmo Malartic

At the property of Salmo-Malartic Mines, the silver-lead-gold-zinc prospect in B. C., the report states that development has been continuous, and that 40,000 tons of positive ore and indicated ore has been developed on the new ore body located in 1936. The grade is given at $9 per ton in gold and silver, with lead and zinc values additional. It is hoped to get this property ready for a concentrator by spring. Arntfield Mining Syndicate holds 602,250 shares of an issued capitalization of 2,115,773 shares.

Salmo-Malartic was recently unfavorably reported on by the British Columbia Government, whose report, showing low values in silver, was disputed by Arntfield officials.

The Helen Lake group of properties, in Quebec, was sold last January, and is being developed. Arntfield is to receive $15,000 in cash and 5% of all the authorized stock in a new company to be formed.

Arncoeur Gold Mines, formed to develop property west of Francoeur in Quebec, is developing this group. Arntfield Gold Mines owns about 800,000 shares of Arncoeur.

Arntfield Mining Syndicate plans to explore property in Rousseau twp. in which it has a 52% interest, this spring.

In the balance sheet, as at Dec. 31, working capital, comprising cash $53,088 and accounts receivable, $12,234, total $65,322. In addition, marketable securities in Arntfield Gold Mines, and Salmo Malartic are shown at a cost considerably lower than market value, of $810,630. The company has no current liabilities.

Toronto Lists Jellicoe Mines

Exchange of New for Old Stock Is Now Under Way

The Toronto Stock Exchange has approved the listing of Jellicoe Consolidated Gold Mines which shares were called for trading Feb. 15.

Jellicoe Consolidated incorporated January 15, 1936, has an authorized capitalization of five million shares $1 par value. Of this amount, 3,275,005 have been issued, of which 1,200,005 were sold for cash netting the company $300,000.

Under option are a further 850,000 shares at 50 cents a share exercisable in four blocks by the end of July, 1938, while 1,455,000 are held in pool subject to release by the Ontario Securities Commission and the Toronto Stock Exchange.

The property of Jellicoe Consolidated which has attracted considerable attention of late, is located in the Little Long Lac area west of Bankfield. To date over 21,000 ft. of drilling has been completed and arrangements are being made for shaft sinking.

Exchange of Stock

Exchange of stock from the old company Jellicoe Gold Mining Co. into stock of Jellicoe Consolidated on a basis of 10 shares of Jellicoe for six Jellicoe Consolidated is now under way.

In a recent progress report, S. J. Kidder, consulting engineer for the company, stated that drilling since November has shown four high-grade intersections in a length of 500 ft. and 1,150 ft. west of this section has shown another high grade intersection at approximately the same depth. The intervening distance is now being drilled with two machines, one working from each end.

While at present there is no plant or equipment on the property, it is felt that results from the present drilling when completed should be sufficient for locating a shaft and erecting a plant and necessary surface buildings.

The company reports cash at the present time of approximately $235,000 with no obligations except current accounts outstanding.

New board of directors of Jellicoe Consolidated is as follows: Hon. W. A. Gordon, K.C., pres.; Stanley G. Tobin, vice-pres.; S. J. Kidder; G. G. Blackstock and W. T. McEachern, directors. T. J. Day is sec'y-treas.

Pato Consolidated Gold Sells New Block of Shares

From Our Own Correspondent

MONTREAL.—Pato Consolidated Gold Dredging notifies the Montreal Curb Market that two options calling for 100,000 shares each of $2.37½ a share have been exercised and the shares allotted. This brings the total number of issued shares to 2.7 millions. There is no further stock under option and 2.3 million shares now remain in the treasury.

News Concentrates

Arbade Gold Mines — announce that driving the drift through the shaft dyke on the 125-ft. level has been completed on its Matachewan property, the dyke being 24 ft. wide. A drift was driven 56 ft. on the 125-ft. horizon and shaft sinking is now being carried on to the 250-ft. horizon, where a second station will be cut.

* * *

Argosy Gold Mines—operating at Casummit Lake in Patricia district, will increase milling capacity from the present 60 tons to upwards of 100 tons daily. The ore is reported to run $21 to the ton.

* * *

Darkwater Mines—has completed its shaft to the 425-ft. level and cages are being installed. Drifting will shortly begin on the 125-, 250- and 375-ft. levels.

* * *

East Malartic Mines—in Fourniere township, Malartic area, states that in the No. 1 shaft raises 178-R-1 and 186-R-1 were advanced 69.5 ft. and 13.2 ft. respectively on the 178 vein and were in vein material of mineralized quartz wider than the raise of average value of $7.25. One hundred and fifty feet of ore of $15 grade wider than the drift was exposed in No. 2 shaft drift 1-6 east and west.

* * *

Hislop Gold Mines — in Hislop township, Timiskaming mining division, has selected a site for shaft sinking and shipped necessary plant and equipment to the property. When the shaft reaches 100 ft., drifting to develop the ore previously indicated by diamond drilling will begin.

* * *

Pickle Crow Gold Mines—reports that both faces look good on the mine's 1,200-ft. level where the crosscut has cut the vein. Results of assays have not reached Toronto yet.

* * *

Kirkking Mines — between Bidgood and Toburn, Kirkland Lake, reports that geological mapping of the workings has been completed and a series of diamond drill holes spotted. First hole is now down 550 ft. and requires a further 300 ft. of drilling to complete. Second hole from the 400-ft. level has been started to explore the main break to the south of the present drift.

* * *

Matona Gold Mines—according to a wire from the mine manager, has encountered a new vein in a crosscut showing some free gold. The new ore is believed to be related to the narrow vein exposed on the surface to the north of the main vein. The exploratory crosscut was driven on the 125-ft. level from the northwest drift at a point 300 ft. from the shaft. Immediate development programme has now been completed.

* * *

Thompson Cadillac — adjoining O'Brien in Cadillac, reports January production at $22,447.41, averaging $9.52. With the installation of a secondary crusher, milling capacity is being increased to over 100 tons daily, and new ore is being developed in the extreme west part of the mine.

* * *

Kirgood Gold Mines—reports that drills are working continuously on the property, north of Bidgood Kirkland. Its engineers expect drilling results shortly.

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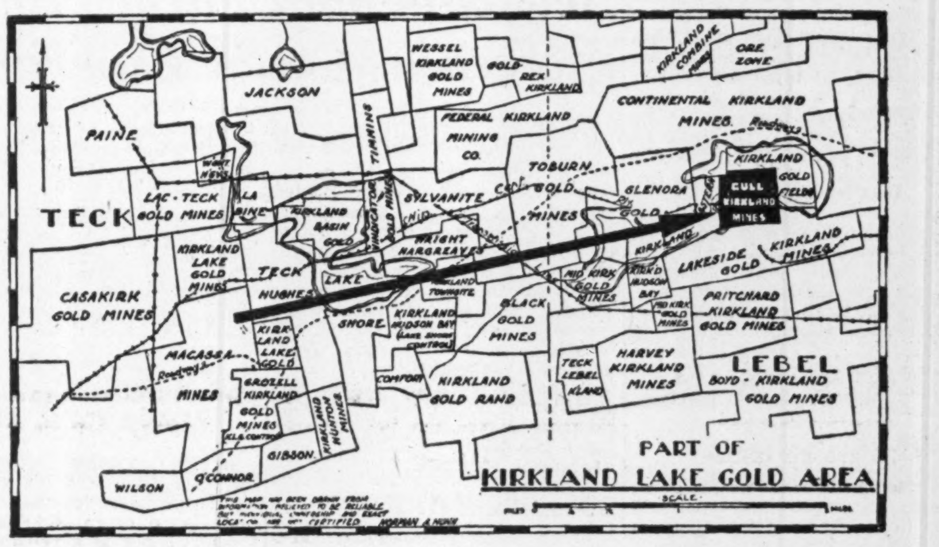

So many investors have communicated with us regarding the possibilities of
GULL-KIRKLAND
developing into a profitably producing mine, that, in all honesty we have been forced to reply that frankly -- we don't know, but, we do know **GULL-KIRKLAND** has the same opportunity as had Kirkland Lake Gold, Lake Shore, Wright-Hargreaves, Macassa and others along this line of strike when they were in the same stage of development as is **GULL-KIRKLAND** at the present time.

WE ARE ACTING ON THIS ADVICE

- "Because of the geographic location of your property, being surrounded by either operating or developing mines, there is no question but every effort should be put forth to determine definitely if any of the structure which has been found to carry ore, crosses this ground."—(S. Power Warren, Vice-President, Mining Research Corporation Limited—December 10th, 1936.)
- "We feel that the geographic location of your property, plus the structural conditions shown by the surface exploration and the data of structure reported in former diamond drilling records, warrant a further drilling campaign of approximately 5,000 feet."—(S. Power Warren, Vice-President, Mining Research Corporation Limited—January 30th, 1937.)

We Consider the Shares of this Company Have Unusual Speculative Possibilities

CAPITALIZATION

Authorized - - - - - -	3,000,000 shares, $1.00 par value
Issued - - - - - - -	2,111,493 shares
In Treasury - - - - - -	888,507 shares

—Now Quoted—
BID—OFFERED AT
(Subject to prior sale, withdrawal or change in price without notice)

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200 BAY STREET - - - TORONTO
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K. C. BALFOUR & CO., ADelaide 1351*
200 Bay St., Toronto.

☐ Please send me further information on Gull-Kirkland Mines, Limited.

☐ Please enter my order for..............shares of Gull-Kirkland Mines, Limited, at the market. Enclosed find $...........on account—will adjust balance on receipt of confirmation.

NAME..

ADDRESS ....N.M.

The Company having received payment or commitment to pay, the proceeds of this offering do not go into the treasury of the Company.

Anti-Aberhart Group Plans Alberta Drive

Hargrave May Return to West to Support Rowe Faction

CRITICAL SESSION

From Our Own Correspondent

EDMONTON.—Open disagreement among Social Credit M.P.'s at Ottawa reflects the dissension existing in the ranks of the Aberhart party in Alberta.

Long-standing differences between Percy J. Rowe, M.P. for Athabaska, and close partisans of Premier Aberhart came to the surface with the statement from Mr. Rowe that "I do not know of a single step for the effective inauguration of Social Credit since the advent of the Aberhart administration."

Mr. Rowe said the Alberta Cabinet had repeated assurances they were making progress. "I am compelled to believe that if they were not guilty of wilful misrepresentations and misstatements to the public, then the only alternative is that they hoped some miracle would happen." He challenged John H. Blackmore, Federal Social Credit leader who is an Aberhart partisan, to demonstrate that steps had been taken to establish Social Credit in Alberta.

Alberta Malcontents

Denunciation of Premier Aberhart's failure in Alberta had been long expected from Mr. Rowe, and chief interest in Alberta centred on the strength of the following he could lead in opposition to the Alberta Premier. Sympathizers of Mr. Rowe's among the 17 Social Credit M.P.'s were mentioned to include Norman Jacques, Victor Quelch, Eric Poole, W. F. Kuhl, and Dr. W. S. Hall. A number more were wavering, according to Rowe partisans in Edmonton.

Negotiations have started to arrange a series of meetings in Alberta for Mr. Rowe, to be shared by other Social Credit malcontents, and an invitation was forwarded to Ottawa, via Mr. Rowe, to John Hargrave, leader of the British Social Credit party, to return to Alberta.

Mr. Hargrave is author of the 11-point programme for Alberta which many Social Crediters now believe Premier Aberhart sidetracked after it received approval from the provincial Social Credit caucus in Edmonton. Chief feature of the Hargrave proposals is issuance of Alberta money.. Mr. Hargrave has been in Ottawa since he left Alberta abruptly, declaring he could have no confidence in Mr. Aberhart.

Disaffection Spreads

These developments marked the spread of disaffection in the Social Credit movement, while the Aberhart Cabinet made preparations for the legislative session, opening Feb. 25, immediately after another caucus. Close secrecy guarded the drafting of legislation, and there was marked pessimism among private members in touch with the Government over the prospects of having a genuine Social Credit programme adopted. Privately there was much talk of forcing definite action in the caucus, the method used in the past for promoting the drastic legislation already to the credit of the Aberhart administration.

On the basis of opinion expressed privately by members, several predictions may be made. The Aberhart 2% sales tax, adopted a year ago, will be under heavy fire in the caucus, and its abolition may be forced. So far, the Government has not decided to abolish this tax, but the clamor for tax relief is centring on the sales tax, and it may have to go.

Capital Levy

The alternative revenue, should the sales tax go, is suggested as either a tax on interest or a capital levy. Both have been advocated in the past in the left wing of the Social Credit party, and support for drastic legislation along these lines has recently been renewed.

Coupled with that, pressure is being exerted on the Government to use its powers of moratorium, for a definite period of one year, on both public and private debts. Just where the compromise between contending forces in the Aberhart following would end, in this connection, is a matter of speculation.

The Debt Reduction Act undoubtedly will be opened for revision, and opinion within the Social Credit party ranges from those believing a reduction should be applied to principal sums, on the one hand, to the assurance given by Hon. J. W. Hugill, on the other, that the act would be tightened to force payment by debtors able to pay. Experience in the past indicates that Mr. Hugill has been overridden by radicals in the Government benches, so the signs point to the drastic choice.

Social Credit Treasurer

Hon. Solon Low Believes Alberta Can Work with Ottawa—Promises No "Abrupt" Change in System—Believes in Balanced Budgets

From Our Own Correspondent

EDMONTON. — A governmental budget, in the opinion of Hon. Solon Earl Low, Alberta's new provincial treasurer, should be an honest presentation of facts.

Mr. Low became a minister in the Social Credit Government on Feb. 2, succeeding Charles Cockroft. Since the Alberta Legislature convenes on Feb. 25, Mr. Low had little more than three weeks in which to prepare his budget. The energy with which he applied himself to the task is indicated in the fact that for an interview the only time he could spare was before 9 a.m.

To a question whether or not he regards a balanced budget as a desirable objective, in view of the ridicule heaped on budget balancing by some Social Credit theorists, Mr. Low answered in the affirmative. He said that under Social Credit, "perhaps the budget would be different."

Talk Premature

There has been some talk in Alberta that the next budget would be a "Social Credit budget." Asked to explain what that would involve, Mr. Low said such talk was "premature." He suggested there could be no abrupt change from the present system to Social Credit, and added that, as a new minister, it might be presumptuous on his part to discuss matters of Social Credit policy.

His first care, Mr. Low said, was to familiarize himself with the work of his department. He hoped to improve the efficiency of its administration.

In regard to wider treasury problems, such as taxation and revenue, the incidence of the tax burden, and relations with the Federal Government, he intimated he is prepared to give them intensive study before acting.

"I see the necessity of a complete study of the field of taxation," he said. He believed much could be done to bring tax policies of the provinces into harmony.

He had read the Jacoby Tax Report of Saskatchewan. "Do you plan a similar enquiry in Alberta?" he was asked. He did not think it justified in view of considerable information already available in respect to Alberta.

HON. SOLON E. LOW

Could Work With Ottawa

"I have said before I am keeping an open mind on the question of a modified loan council," Mr. Low said. There were many ways in which Alberta could work with Ottawa. He was opposed to surrender of provincial autonomy, however. He would not pursue the question of what autonomous rights would be involved.

Mr. Low was the third new minister to enter the Aberhart Cabinet since 1937 began. Soon after taking the oath of office, he issued a statement pledging observance of "the objective which this Government was placed in power to achieve" and recognition of "the fact that true progress must be made by careful, well-rounded procedure."

Holding a portfolio, second in importance only to Premier Aberhart's presidency of the executive council, Mr. Low ranks with the young men who have become dominant in the Alberta administration through recent cabinet changes. He was 37 years of age on Jan. 8 last, was born at Cardston, Alta., is married and has four children. He adheres to the Mormon Church.

Behind him are 15 years of school teaching, and he was called by Mr. Aberhart from the principalship of the Stirling, Alta., school to enter the cabinet. While the Parliamentary Guide indicates he was educated at the universities of Alberta and Southern California, Mr. Low said he did not hold academic degrees from those institutions. His chief study was pedagogy.

Friendly to Press

Rather short and rather stout, Mr. Low dresses well. He has an air of confidence and energy. He was friendly to a newspaper interviewer, in contrast to the declared attitude of hostility to the press of the Aberhart Government. He said he had no reason, from his personal experience with the press, to believe it was guided by ulterior motives, but added he was not speaking for any of his colleagues.

Asked if he adhered to the monetary theory of Silvio Gesell, originator of the stamp scrip proposal that was tried unsuccessfully in Alberta six months ago, Mr. Low said that stamp scrip "was a splendid experience for the people of Alberta in preparing to use their own credit." Newspaper files contain clippings of speeches made by Mr. Low, in which he revealed himself a student of the lore of the Great Pyramid of Egypt.

On his introduction to Social Credit, Mr. Low recollected reading articles by C. V. Kerslake, in the Winnipeg Free Press, he thought. He had followed this by reading Maurice Colborne's book on the theory, and the works of Major Douglas. He believed the economic problem lies in the problem of distribution. He said he accepted the Douglas analysis of economics.

Newfoundland Farm Project Seen as Costly Experiment

Land settlement in Newfoundland has been costly, and, to date, has met with but moderate success.

In a statement regarding land settlement as a whole, the commission of government places the cost of the Markland experiment, largest and most disputed of the five projects now under way, at $361,914. This figure, which covers expenses from inception of the plan back in 1934, is much higher than was anticipated.

"It is now clear," the statement reads, "as a result of experience gained, that very substantial economies and improvements in method can and must be effected."

Markland has 111 families. It was hoped that each family would hold about 10 acres of land. Up to the present, however, only about three-quarters of an acre per family has been cleared and made ready for cultivation.

The policy of the management to the end of 1936, however, has been to concentrate on clearing land on a community basis, leaving the clearing of individual holdings to be carried out in spare time. Community clearings now comprise about 180 acres, of which 41 acres is completely cleared and either in or ready for cultivation.

None of the settlers are yet completely self-supporting; most are still very far from that point. The area so far reclaimed is far from sufficient to produce a living for 111 families.

Started as a private venture by a few interested individuals, the settlement attracted Government attention in 1934 and has since been under its supervision. Perhaps its most important objective is to provide alternative employment for those who can no longer find work in the fisheries. Then, too, Newfoundland imports a very large quantity of agricultural produce at unusually high prices. The basic object is to assist in rehabilitation work.

Briefly, the Markland plan is this. Families are taken from the dole and placed on a homestead. The men are set to work clearing and cultivating land, the women given a course in housework, and the youngsters provided with an education. Houses, maintenance, supplies and equipment are provided by the Government, with the expectation that they will eventually be repaid.

Maritime Tel. Refunds Bonds

Series "A" Are Being Replaced With New Issue at Lower Rate

From Our Own Correspondent

MONTREAL.—Subject to approval of the Nova Scotia Utility Board, Maritime Telegraph & Telephone Co. has called for redemption on July 1 next at 104 all of its outstanding Series A 5% bonds. At the same time announcement is made that holders may exchange their bonds par for par for the new 30-year 4% first and refunding mortgage bonds, Series C, payable as to principal and interest in Canadian funds only and not callable until June 30, 1943. The series C bonds will carry a special coupon at the rate of 5% per annum for the half year ending July, 1937.

The refunding operation has been underwritten by Royal Securities Corp., which is sponsoring the issue of $2 millions of the series C bonds. Only $1.5 million will be required for the refunding operation; proceeds from the additional $500,000 will be used by the company for general corporate purposes.

At the end of last year Maritime Telegraph had outstanding $3 millions of refunding and mortgage bonds. Upon completion of the present financing the bonded debt will be increased to $3.5 millions.

The financial statement for 1936 indicated a further improvement in the company's earning power. Gross revenue at $1,849,653 was the largest reported since 1931, while net income after taxes and depreciation at $571,620 was larger than in any year since 1928.

Plan For Greene-Stabell Would Lift Debt Burden

A reorganization proposal which will clear the company of debt, and replenish the treasury, will be laid before shareholders of Greene-Stabell Mines at a meeting called for Feb. 25.

Under this proposal, a new company, Jacola Mines, would be formed, with an authorized capitalization of 3.5 million shares, $1 par. The present capitalization of Greene-Stabell is three million shares, $1 par, of which all have been issued.

Greene-Stabell would receive one million shares of the new company, on the basis of one new for three old.

John E. Hammell, president, who has loaned the company a total of $250,000, which was to have borne interest at the rate of 6% repayable out of first earnings, has, it is understood, agreed to accept 500,000 shares in full payment.

Harker Gold Mines, another Hammell promotion, would receive 100,000 shares of Jacola in full payment of a $50,000 loan.

Stabell Lake Mines, whose property was purchased by Greene-Stabell, would accept 500,000 shares in payment of $250,000 still owing.

Present shareholders of Greene-Stabell would receive rights to purchase Jacola stock on the basis of one share for each three shares of Greene-Stabell held, at 50 cents per share.

These transactions, totalling 3,100,000 shares, would leave 400,000 treasury shares, and $500,000 in the treasury, if all rights are taken up. In this connection, it is understood that the rights to shareholders have been firmly underwritten by prominent brokerage houses.

In addition, the treasury of the company would be freed of the debts which have hung over it.

Greene-Stabell has not published a financial statement since Dec. 31, 1934.

The property is equipped with a mill of 100 tons daily capacity. Two shafts have been sunk, one to 600 ft. and the No. 2 to 500-ft. level with a winze to the 600-ft. level. It is now proposed to deepen No. 2 shaft to 1,000 ft. No estimate of ore reserves is available.

Canadian T. S. R. Plant Sold to Laurentian Silks

From Our Own Correspondent

MONTREAL.—The weaving mill of the Canadian T.S.R. of Lyons, France, at Gap de la Madeleine, Que., has been sold to the Laurentian Silks Co., according to an announcement made by the General Trust Co. The mill employed 300 men when it closed down last November and it is expected that approximately the same number will be given work when the plant is reopened some time next month.

It is reported that the president of Laurentian Silks is A. Wesley Mason, formerly of Bruck Silk and The T. Eaton Co., while another senior officer is John Cowling, associated with the well-known silk firm of Louis Roessel.

Ontario Paper Co. Plans Comeau Bay Housing

From Our Own Correspondent

MONTREAL.—A housing development at Comeau Bay, in connection with the Ontario Paper Co.'s $8 millions pulp and paper development, will proceed as soon as weather conditions permit, according to Foundation Co. (Quebec) Ltd., which holds the contract.

Present plans call for 48 houses at a total cost of $225,000.

Start Rail Order

MONTREAL. — Dominion Steel and Coal's rail mill at Sydney has begun rolling 6,500 tons of steel rails for the Canadian Pacific Railway. The mill has been idle since an order for the South African Government railways was completed in January.

AN INVESTMENT *that* Protects INVESTMENTS

IT IS NOT PRIDE ALONE which prompts experienced executives to have the documents they issue "engraved". Engraving is an art which protects investments. True, it is only through engraving that the atmosphere of permanence and solidity is obtainable, but under the hand of the master artists in our employ "money symbols" become almost incapable of forgery and illegal duplication. And when to the defensive qualities of their engraving genius is added Safety Paper, your documents are protected to the limit of human skill.

We will be pleased to submit quotations on engraving work of any description.

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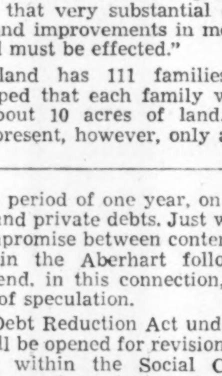
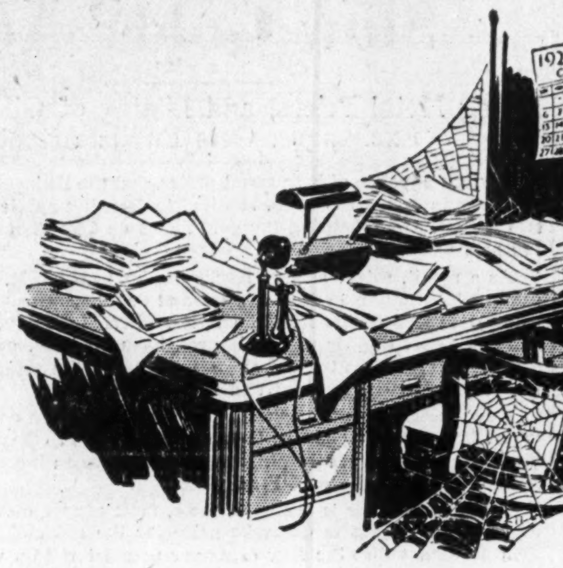




It took 10 YEARS to settle this Estate!..

WHEN the will was read it was found that the testator had named his brother as Executor . . . the brother, inexperienced and busy with his own affairs, could not devote sufficient time to settling the estate . . . delays inevitably occurred . . .

Then the brother fell ill and died . . . the task of settling both estates fell to *his* Executor—another individual—who himself died before he could complete the work. In the end, it took ten years and cost ten times what it should have to settle this simple estate.

Don't subject your estate to costly errors and delays . . . name The Royal Trust Company your Executor.

Read the column at the right.

Concerning your Will...

Your will is one of the most important documents you will ever be called upon to execute . . .

Do not rely on a "home-made" will; the courts are filled with litigation growing out of such mistaken economies . . .

Have your will drawn by a lawyer or notary and consult one of our officers in advance . . .

Out of his long experience, he may be able to help you . . .

You should name an Executor—some person or institution to see that the terms of your will are carried out . . .

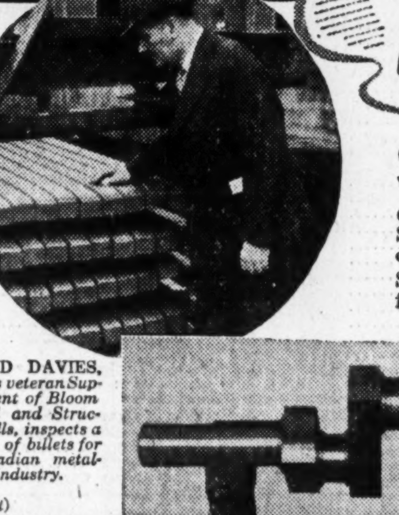
It is a mistake to suppose a Trust Company as Executor is expensive . . .

The moderate fees payable to The Royal Trust Company represent sound economy, for the company's permanence, long experience and financial responsibility often eliminate costly mistakes and delays . . .

Ask for our booklets on Wills.

THE ROYAL TRUST CO.

Men of Algoma



● ART TAYLOR, *Reheating Furnace Charging Crane Operator—charging a bloom to a gas-fired furnace for reheating in preparation for further rolling into Algoma billets on the 32" Billet Mill.*

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● Headlines in today's news tell how steel reflects the ups and downs of business. Steel is needed in practically every form of human activity. Thus steel production is a barometer of the state of general business conditions.

Steel is supplied to industry in finished shapes and sections, or in unfinished form for machining, forging or further rolling.

(Above)
OSWALD DAVIES, *Algoma's veteran Superintendent of Blooming, Rail and Structural Mills, inspects a shipment of billets for the Canadian metal-working industry.*

(At Right)
A three-throw pump crankshaft, 12" stroke, 7" and 8" diameter, 19¼" web, forged and machined by Canada Foundries & Forgings Ltd. from a 16" x 16" Algoma Steel billet.

One of Canada's biggest industries—the metal-working industry—consumes large tonnages of Algoma semi-finished steel in billets of a wide range of carbon and alloy grades. These billets are used in making many kinds of machinery and equipment. They are the raw material for forging plants, machine shops and railroad equipment works in many parts of Canada.

Algoma finished and semi-finished steel goes into the production of automobiles, buildings, bridges, household utilities, mining equipment, docks and drainage structures, machinery and other products and utilities used by millions of Canadians every day.

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